JPRS-EEI-86-001

5 FEBRUARY 1986

East Europe Report

ECONOMIC AND INDUSTRIAL AFFAIRS

TABLES OF CONTENTS

JPRS-EEI-85-058, 10 JULY 1985-
JPRS-EEI-85-098, 29 DECEMBER 1985

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS-EEI-85-058

10 July 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

Romanian Cooperation With CEMA Countries in Field of Statistics
(I. Nicola, I. Dumitrescu; REVISTA DE STATISTICA, Dec 84)... 1

CZECHOSLOVAKIA

First Quarter 1985 Economic Results Summarized
(Vaclav Jezdik; HOSPODARSKE NOVINY, No 17, 1985)............ 6

Strengthening of Pay According to Merit Principle Urged
(Michal Olah; PLANOVANE HOSPODARSTVI, No 2, 1985)........... 10

Slovak Council Views Pact Extension, Economy
(Bratislava Domestic Service, 20 Jun 85).................... 20

Slovak Council Discusses Economic Shortcomings
(Bratislava Domestic Service, 20 Jun 85).................... 22

Report on Chinese Private Enterprises
(RUDE PRAVO, 20 May 85)..................................... 25

Graft Prosecution in CSR
(RUDE PRAVO, 29 May 85)..................................... 26

Water Management in Slovakia
(RUDE PRAVO, 15 May 85)..................................... 27

Electric Railroad Expansion
(RUDE PRAVO, 15 May 85)..................................... 29

Briefs
- Soil Erosion 30
- Visiting GDR Official 30
- Chemistry Experts Confer 30

Visitor From Afghanistan 30
Industrial Cooperation With India 30
CEMA Biomedical Council 31
Finnish Official Visits 31
Auditing Commission Chairmen Meet 31
Science Committee Official Arrives 31
CEMA Session 31

GERMAN DEMOCRATIC REPUBLIC

Briefs

Erosion Damage Reported 33

HUNGARY

New Finance Ministry Department Deals With Small Undertakings
(Dezso Suto Interview; OTLET, 16 May 85).................... 34

Sources of Success in Hungarian Agriculture
(Aladar Sipos; KOZGAZDASAGI KOZLONY, No 4, Apr 85).......... 39

Decline in Corn Production Poses Potential Problems
(Jozsef V. Farkas; HETI VILAGGAZDASAG, 1 Jun 85)............ 51

POLAND

Problems, Possibilities of Food Industry Analyzed
(Zbigniew Lubak; GROMADA-ROLNIK POLSKI, 12, 19 May 85)...... 56

Agricultural Production Costs, Food Prices Discussed
(Wieslaw Mlynarczyk Interview; RZECZPOSPOLITA, 10 May 85)... 61

Changes in Private Farm Structure Noted
(RZECZPOSPOLITA, 23 Apr 85)................................. 65

New Materials Management Agency Formed
(Michal Hebda Interview; RZECZPOSPOLITA, 22 May 85)......... 66

Training Personnel To Run Firms in Receivership
(RZECZPOSPOLITA, 21 May 85)................................. 68

ROMANIA

Measures To Improve Economic-Financial Activity in Enterprises
(Radu Ciurileanu; REVISTA ECONOMICA, No 17, 26 Apr 85)...... 69

Expansion of Foreign Trade Activity Reviewed
(Ion Avram; REVISTA ROMANA DE STUDII INTERNATIONALE,
Mar-Apr 85)... 74

Changes in Import, Export Structure
(Ovidiu Rujan; REVISTA ECONOMICA, No 19, 10 May 85)......... 84

Use of Investment Funds in Mining Sector Reviewed
(I. Minciunescu; REVISTA ECONOMICA, No 13, 30 Mar 85)....... 91

YUGOSLAVIA

Economist Discusses Repayment Outlook to 1990
(Mladjen Kovacevic; PRIVREDNI PRELGED, 1-3 Jun 85).......... 94

Changes in 1985 Foreign Exchange Allocation for Federal Use
(SLUZBENI LIST SFRJ, No 26, 24 May 85)...................... 96

Work Stoppages in 1984; Cases in Serbia, 1985
(Various sources, various dates)............................ 98

Republic, Provincial Contributions To Fund for Undeveloped Areas
(SLUZBENI LIST SFRJ, No 25, 17 May 85)...................... 99

Zagreb Institute Study on Population Income Levels
(BORBA, 1-2 Jun 85)... 100

Briefs

Explosion in Stari Trg Mine 102
Robots in Skopje Plant 102
Explosion in Zagreb Area Plant 102
Oil Imports 102
Join Serb-Macedonian Plant 103
"Emo" Equipment to Albania 103

JPRS-EEI-85-059

16 July 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

CZECHOSLOVAKIA

CSSR Economic Recovery, Changes in Calculations Analyzed
(NEUE ZUERCHER ZEITUNG, 4 Jun 85).......................... 1

GERMAN DEMOCRATIC REPUBLIC

Unfavorable Political Climate Affects 1984 Inner-German Trade
(DIW WOCHENBERICHT, No 10, 7 Mar 85)...................... 5

Progress in Rail Electrification Reported
(Peter Jochen Winters; FRANKFURTER ALLGEMEINE, 3 Jun 85).. 25

Shipping Firm Seeks Larger Western Market
(IWE TAGESDIENST, No 86, 11 Jun 85)....................... 29

HUNGARY

Marjai Speaks at Economic Conference
(Jozsef Marjai; MAGYAR HIRLAP, 14 Jun 85).................. 30

Bossanyi on Continued Economic Growth
(Katalin Bossanyi; NEPSZABADSAG, 15 Jun 85)................. 33

POLAND

Revival of Trade With Britain Anticipated
(Janusz Brzozowski; RYNKI ZAGRANICZNE, 9, 11 Apr 85)....... 36

ROMANIA

Effort To Achieve New Agrarian Revolution
(Iulian Plostinaru; ERA SOCIALISTA, No 10, 25 May 85)...... 38

Domestic, Foreign Activities of Forestry Industry Units
(Lazar Meloianu; ERA SOCIALISTA, No 10, 25 May 85)......... 48

YUGOSLAVIA

Republic Breakdown in Foreign Trade, January-May 1985
(PRIVREDNI PREGLED, 12-14 Jun 85).......................... 53

Status of Robotization Discussed at Opatija Conference
(Ratko Boskovic; DANAS, 23 Apr 85)......................... 55

Kosovo Population, Other Trends Anticipated to Year 2000
(JEDINSTVO, 9 , 18 May 85)................................. 61

Dangers of Increasing Birthrate in Kosovo Discussed
(Nikola Saric; JEDINSTVO, 25 May 85)....................... 63

JPRS-EEI-85-060

22 July 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

CEMA Countries' Cooperation Plans Outlined (RZECZPOSPOLITA, various dates) 1

Long-Term Programs 1
Cooperation in Information, by Krzysztof Urbaniec 2
Cooperation in Construction 4
Cooperation in Nuclear Power, by Korzeniowska 5

ALBANIA

Efforts To Improve Fodder, Meat Production (Llazar Parangoni; BASHKIMI, 18 May 85) 8

CZECHOSLOVAKIA

Federal Statistical Office Final Economic Report Published (STATISTIKA, No 3, 1985) 11

CEMA Cooperation Problems Discussed (Otta Henys, Vladislav Cihlar; NOVA MYSL, No 6, 1985) 29

Employment of Women in CSSR Analyzed (Dyna Tesarova; STATISTIKA, No 2, 1985) 32

Benefits of Brigade Work Organization, Remuneration Seen (Miroslav Kana, Zdenek Skoda; HOSPODARSKE NOVINY, No 16, 1985) 44

Slow Progress in Reducing Labor, Material Intensity Criticized (Editorial; RUDE PRAVO, 3 Jun 85) 56

Need for Intensification Programs in Agriculture Stressed (Jaroslav Tlapak; HOSPODARSKE NOVINY, No 16, 1985) 59

Briefs

New Technology Exhibition 62

GERMAN DEMOCRATIC REPUBLIC

Transportation Related Problems of Foreign Trade Discussed
(Joachim Matthaei, Hans-Ulrich Schulze; DDR-VERKEHR, No 3, Mar 85) 63

Lignite Mining Costs Soar
(IWE TAGESDIENST, No 89, 15 Jun 85) 73

HUNGARY

Population Overmedicated, Articles Claim
(Tibor Franka, Ferenc L. Gazso; MAGYAR HIRLAP, 12, 13 Jun 85) 74

Existence, Income From Private Plots Defended
(Ildiko Bedo; MAGYAR HIRLAP, 26 Apr 85) 82

Briefs
Seed Corn Breeding Cooperation 85

POLAND

Poland's Economic Development to 1990
(Wieslaw Juszczak, Wladyslaw Welfe; ZYCIE GOSPODARCZE, No 14, 7 Apr 85) 86

Controversy Over 'NOT' Views on Economic Reform Continue
(ZYCIE GOSPODARCZE, No 21, 26 May 85) 97

Critique of Latest NOT Proposals, by Stefan Marciniak
ZYCIE GOSPODARCZE Commentary, by Janusz Ostaszewski 107

Polonia Companies: Value, Prospects Debated
(Jan Cipiur; POLITYKA, No 18, 4 May 85) 109

Poles Hold Talks With West German Businessmen
(ZYCIE WARSZAWY, 13 Jun 85) 112

Poles, Chinese Sign Metallurgy Agreement
(RZECZPOSPOLITA, 14 Jun 85) 113

Polish-Yugoslav Trade Talks
(ZYCIE WARSZAWY, 17 Jun 85) 114

Minister Discusses Basic Agricultural Problems
(Stanislaw Zieba; RADA NARODOWA GOSPODARKA ADMINISTRACJA, No 5, 9 Mar 85) 115

Ministers Endorse Railroad Development Program
(ZYCIE WARSZAWY, 6 May 85) 125

Briefs
Nestorowicz Meets SPRY-Polish Trade Officials 127

ROMANIA

Changes in Structure of Working Population Analyzed
(Gavril Horja; REVISTA ECONOMICA, No 22, 31 May 85) 128

Experiences of Specialized Agricultural Units
(N. Brasoveanu; REVISTA ECONOMICA, No 22, 31 May 85) 134

Quantitative, Qualitative Improvement of Agriculture Sought
(Ovidiu Popescu; REVISTA ECONOMICA, No 23, 7 Jun 85) 139

JPRS-EEI-85-061

23 July 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

BULGARIA

Development of Power Industry by 1990 Outlined
(Dimitur Iliev; ENERGETIKA, No 2, 1985) 1

Assembly Work on 1000 MW Reactor Begins
(Tsvetana Evgenieva; TEKHNICHESKO DELO, 20 Apr 85) 10

CZECHOSLOVAKIA

Special Metallurgical Materials for Electronics Viewed
(PLANOVE HOSPODARSTVI, No 1, 1985) 11

Turnover Structure of Capital Assets Discussed
(PLANOVE HOSPODARSTVI, No 1, 1985) 20

HUNGARY

Nonruble Exports of Hungarian Industry Analyzed
(Adam Torok; KULGAZDASAG, No 5, May 85) 24

POLAND

Gorywoda Interview on CEMA Cooperation With U.S.
(Manfred Gorywoda Interview; Warsaw Domestic Service,
24 Jun 85) 42

Deputy Premier Previews CEMA Session
(Warsaw Television Service, 21 Jun 85) 43

Daily Comments on CEMA-Common Market Cooperation
(Karol Szyndzielorz; ZYCIE WARSAWY, 17 Jun 85) 44

Capital Investments in Five-Year Plan Variants Examined
(Mieczyslaw Wodzicki; TRYBUNA LUDU, No 136, 13 Jun 85) 45

Draft Law on Joint-Ownership Companies Endorsed
(RZECZPOSPOLITA, 19 Jun 85) 50

Polish-Soviet Commission for Cooperation Meets
(ZYCIE WARSZAWY, No 146, 25 Jun 85) 51

Inspection Board Critical of Economy's Performance
(RZECZPOSPOLITA, No 147, 26 Jun 85) 52

Shortage in Coal Supplies Reported
(RZECZPOSPOLITA, 5 Jul 85) 54

Briefs

Jaruzelski Receives SFRY Economic Delegation Chairman 56
Jaruzelski, Nestrowicz See PRC Assembly Group 56
Gorywoda's Visit at '1 May ' Plant 56
British Cool Toward Agricultural Plan 56
More Poznan Fair Deals 57
Engblom's Visit 57
Polish-Turkish Cooperation in Mining 57
Ongoing 'Katowice' Steelworkers Expansion 57

YUGOSLAVIA

Briefs

Kosovo Unemployment 58
Joint Bank in Zurich 58
Use of Austrian Credits 58
Average Wages 59
Employment in Socialized Sector 59
Workers Abroad 59

JPRS-EEI-85-062

29 July 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

Czechoslovak-Yugoslav Economic, Trade Relations
(Vladimir Suva; CZECHOSLOVAK FOREIGN TRADE, No 5, Mar 85) 1

BULGARIA

Economic Relations With Finland Expanding
(Vladimir Vasilev; IKONOMICHESKI ZHIVOT, 24 Apr 85) 4

Development of Power Industry by 1990 Outlined
(Dimitur Iliev; ENERGETIKA, No 2, 1985) 6

CZECHOSLOVAKIA

Trade With USSR Our Lifeline Says Ministry Official
(Jan Cisar; HOSPODARSKE NOVINY, 31 May 85) 16

Goals, Tasks of Financial and Currency Policy in 1985
(FINANCE A UVER, No 1, 1985) 22

Demanding Tasks of Federal Budget in 1985 Outlined
(FINANCE A UVER, No 1, 1985) 33

Basis for Acceleration of Intensification Discussed
(Vaclav Vertelar; HOSPODARSKE NOVINY, 31 May 85) 48

HUNGARY

Planning Official on Problems, Tasks
(Janos Hoos; PARTELET, No 6, 1985) 54

Wage Regulation Remains Necessary
(Albert Racz; PARTELET, No 6, 1985) 61

Results of Election of Directors Studied
(Jozsef Olah; PARTELET, No 6, 1985) 68

Machinery, Equipment Leasing Activities Discussed
(FIGYELO, No 24, 13 Jun 85) 73

Everyone Does It Differently, by Maria Demcsak 73
Taxing or Leasing, by Laszlo Kovacs 77
Austrian View 79

Morality of Enterprise Breakup Questioned
(Laszlo Karcagi; NEPSZABADSAG, 13 Jun 85) 81

Private Business, Merchants Failing
(Karoly Ban; MAGYAR HIRLAP, 14 Jun 85) 86

POLAND

Kedzierska on Domestic Trade Situation
(Anna Kedzierska Interview; ZOLNIERZ WOLNOSCI, 20-21 Apr 85) 90

Polish-Austrian Financial Talks Held
(ZYCIE WARSZAWY, 28 Jun 85) 95

New Sulphur Mine To Be Built
(ZYCIE WARSZAWY, 28 Jun 85) 96

ROMANIA

Measures To Increase Competitiveness of Exports Discussed
(Ioan Georgescu; REVISTA ECONOMICA, No 26, 28 Jun 85) 97

Program for Recycling Reusable Materials Reviewed
(Sorin Buligescu; REVISTA ECONOMICA, No 26, 28 Jun 85) ... 102

YUGOSLAVIA

Prospects of Boosting Production Viewed
(NEDELJNE INFORMATIVNE NOVINE, No 1795, 26 May 85) 106

JPRS-EEI-85-063

8 August 1985

East Europe Report

ECONOMIC AND INDUSTRIAL AFFAIRS

TABLES OF CONTENTS

JPRS-EEI-85-001, 2 January 1985 -

JPRS-EEI-85-057, 28 June 1985

FBIS FOREIGN BROADCAST INFORMATION SERVICE

JPRS-EEI-85-064

9 August 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

USSR-GDR Cooperation in Transportation Detailed
(Heinz Gerber; DDR-VERKEHR, No 5, May 85).................. 1

Western Credit Policy Change Sought
(IWE TAGESDIENST, No 92, 22 Jun 85)........................ 8

ALBANIA

Need To Improve Quality, Range of Exports
(Pajtin Ajazi, Dervish Gjiriti; RRUGA E PARTISE, Mar 85)... 9

CZECHOSLOVAKIA

Recycling of Solid Waste in Northern Moravia
(Frantisek Penicka Interview; RUDE PRAVO, 17 Apr 85)...... 18

GERMAN DEMOCRATIC REPUBLIC

Coal Liquefaction Research Pushed
(IWE TAGESDIENST, No 94, 26 Jun 85)........................ 21

HUNGARY

CEMA Material, Energy Conservation Program Until 2000 Viewed
(Zoltan Sos; FIGYELO, No 26, 27 Jun 85).................... 22

Shocking Failures Among Borsod Cooperatives
(Janos Cseh; NEPSZAVA, 3 Jul 85)........................... 26

Survey Notes Pessimistic Mood on Economy
(Gabor Strausz; HETI VILAGGAZDASAG, 25 May 85)............. 29

Changes in Enterprise Management Forms Noted
(Istvan Csillag; FIGYELO, No 24, 13 Jun 85)................ 34

POLAND

Increased Economic Cooperation With Indonesia Contemplated
(RYNKI ZAGRANICZNE, No 63-64, 25, 28 May 85)............... 38

Minister on Current Status, Ali Wardhana Interview 38
Revival of Contacts 40

Aircraft Industry Exports Discussed
(Zygmunt Drozda Interview; SKRZYDLATA POLSKA, No 23,
9 Jun 85).. 43

British Trade Representative Discusses Economic Ties
(Roy Fletcher Interview; RYNKI ZAGRANICZNE, No 59,
16 May 85)... 47

Poznan Fair Role in Foreign Trade Explained
(Ryszard Karski Interview; RYNKI ZAGRANICZNE, 6, 8 Jun 85). 50

Drops in Production, Labor Productivity
(Adam Bronikowski; Warsaw Television Service, 12 Jul 85)... 54

ROMANIA

Achievements in Recovery, Recycling of Materials
(Ion Gh. Badea; REVISTA ECONOMICA, No 24, 14 Jun 85)....... 55

YUGOSLAVIA

Demographic, Other Factors in Determining Underdevelopment
(Mihailo Mladenovic; EKONOMSKA POLITIKA, 10 Jun 85)........ 59

Joint Benefits Outlined of Danube-Tisa Irrigation Plan
(Branko Krstin; KOMUNIST, 12 Apr 85)....................... 66

Belgrade Economist Discusses Causes, Outlook for Debt Crisis
(Ljubomir Madzar Interview; INTERVJU, 10 May 85)........... 70

Real Incomes Continue To Decline
(M. Petkovic; BORBA, 21 Jun 85)............................ 76

JPRS-EEI-85-065

13 August 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

CZECHOSLOVAKIA

CSR State Budget and Financial Policy for 1985 Discussed
(Jaroslav Tlapak; FINANCE A UVER, No 2, 1985)............. 1

May 1985 Economic Results Summarized
(Marie Hormannova, Alena Polakova: HOSPODARSKE NOVINY, No 26, 1985)... 10

Effectiveness of Production Assets, Financial Role Viewed
(Michal Kovac; FINANCE A UVER, No 2, 1985)................ 14

Consumer Market Shortcomings Criticized
(Josef Majtan; HOSPODARSKE NOVINY, No 16, 1985)........... 31

Agricultural Wage System Improvements Viewed
(Jan Sinak; EKONOMIKA POLNOHOSPODARSTVA, No 3, 1985)...... 35

Purchase Price Cost Basis of Agricultural Products Viewed
(Kveta Burianova; FINANCE A UVER, No 3, 1985)............. 43

Transportation Management in Eighth 5-Year Plan Viewed
(Ladislav Blazek; DOPRAVA, No 1, 1985).................... 55

Increased Role of Electronics in 5-Year Plans Viewed
(Milan Kubat; MECHANIZACE A AUTOMATIZACE ADMINISTRATIVY, No 4, 1985)... 61

Chemical Industry Results Summarized
(Ladislav Neubauer; HOSPODARSKE NOVINY, No 16, 1985)...... 70

HUNGARY

Successful Enterprise Leaders Present Views
(Agnes Tibor; HETI VILAGGAZDASAG, 8 Jun 85)............... 73

Innovative Economist Liska Interviewed
(Tibor Liska Interview; HETI VILAGGAZDASAG, 8 Jun 85)..... 78

POLAND

Government Agencies Air Views on Reform
(ZYCIE GOSPODARCZE, Nos 20, 21, various dates)............ 81

Planning Commission 81
Finance Ministry 83
Foreign Trade Ministry 86
Foreign Trade Chamber 88
Chemical, Light Industries 90
Metallurgy, Machine Building 93
Mining, Energy 94
Cooperative Regulatory Agency 96

Briefs

Katowice Coking Plant Going Up 99
IMF Delegation Visits 99
Pole Heads UNDP Board 99
Polish-Bulgarian Cooperation Committee 99
Polish, Soviet Industry Ministers Meet 100

ROMANIA

Need To Protect Grain Harvest Against Fires Stressed
(Petre Leca; PAZA CONTRA INCENDIILOR, May 85)............. 101

JPRS-EEI-85-066

14 August 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

SFRY-Romanian Commodity Trade List, 1981-1985
(SLUZBENI LIST SFRJ, No 11, 22 Nov 84).................... 1

SFRY-USSR Agreement on Financing Smederevo Metallurgical Combine
(SLUZBENI LIST SFRJ, No 5, 27 Apr 85)..................... 10

SFRY Shipbuilding Program for USSR, 1986-1990
(M. Erceg; PRIVREDNI PREGLED, 19 Jun 85).................. 12

BULGARIA

Foreign Trade Statistics for First Quarter of 1985
(IZNOC I VNOS, No 1, 1985)................................ 14

CZECHOSLOVAKIA

More Efficient Inventory Management Urged by Bank Director
(Jan Mitro; FINANCE A UVER, No 3, 1985)................... 29

Sick-Leave Abuse Severely Criticized
(Vlastimil Drbohlav; RUDE PRAVO, 12 Jun 85)............... 39

Minister Outlines Electronification Program
(MECHANIZACE A AUTOMATIZACE ADMINISTRATIVY, No 4, 1985)... 42

Minister Urges Taking Better Advantage of Steel Properties
(Zdenek Prusa; TECHNICKY TYDENNIK, No 17, 1985)........... 52

Briefs

Colotka Visits Robot Association 55
Janik in Central Slovakia 55
Colotka Visits Agricultural Enterprises 55

GERMAN DEMOCRATIC REPUBLIC

SED, Council of Ministers Approve New Agricultural Policy (DEUTSCHE BAUERNZEITUNG, No 25, 21 Jun 85)................ 56

Environment Minister Interviewed on Water Management Measures (Hans Reichelt Interview; TRIBUENE, 14 Jun 85)............ 68

Environment Minister Addresses Helsinki Environment Conference (Hans Reichelt; SCHWERINER VOLKSZEITUNG, 9 Jul 85)........ 73

HUNGARY

Dedication To Reform Less Than in 1968 (Robert Hoch Interview; MOZGO VILAG, Jun 85).............. 77

Enterprise Reaction to New Leadership Forms Not Negative (Andres Deak Interview; FIGYELO, 4 Jul 85)................ 93

Problems, Possibilities of Agricultural Enterprise Discussed (Bela Tompa Interview; OTLET, 11 Apr 85)................. 99

Roundtable on Limits of Agricultural Exports (Bela Csendes, et. al.; FIGYELO, 13 Jun 85)............... 102

Need for New Approaches in Agriculture Seen (Istvan Almasi; NEPSZABADSAG, 4 May 85).................. 108

POLAND

Public Opinion Poll on Reform Taken (Witold Morawski, Wieslawa Kozek; ZYCIE GOSPODARCZE, No 27, 7 Jul 85).. 112

New Economic Planning Commission Formed (RZECZPOSPOLITA, 2 Jul 85)................................ 117

Investment Policy for Five-Year Reviewed (Krzysztof Krauss; TRYBUNA LUDU, 4 Jul 85)................ 122

Deputies, Economic Bodies Debate, Reaffirm Self-Financing (RZECZPOSPOLITA, 5 Jul 85)................................ 126

Poland, France Resume Economic Talks (ZYCIE WARSZAWY, 13-14 Jul 85)........................... 129

Wage Policy Reviewed After Economic Council Meeting
(Bozena Papiernik; RZECZPOSPOLITA, 5 Jul 85).............. 130

Minister Eyes Heavy Industry Growth Plans
(Janusz Maciejewicz Interview; RZECZPOSPOLITA, 12 Jun 85). 133

Briefs
Belchatow Strip Mine Construction 138
North-South Highway Progress 138
Foreign Trade Minister in Libya 138
Polish-Yugoslav Auto Contract 139
Planning Chiefs Meet 139

YUGOSLAVIA

Economic Operation in First Quarter Increased Regional Differences
(T. Dumezic; EKONOMSKA POLITIKA, 17 Jun 85)............... 140

Slovenian Economist Cerne Discusses Market Economy
(France Cerne Interview; EKONOMSKA POLITIKA, 17 Jun 85)... 145

Factors in Stabilizing Personal Earnings
(Editorial; EKONOMSKA POLITIKA, 17 Jun 85)................ 155

Briefs
Unemployed in Bosnia 158
Dependence on Imported Equipment 158

JPRS-EEI-85-067

22 August 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

CEMA, Developing Countries Economic Ties Examined
(Kalman Pecsi; KULPOLITIKA, No 3, 1985).................... 1

CEMA Efforts To Reduce Transportation Costs Cited
(Dietrich Witt; DDR-VERKEHR, No 6, 1985).................. 18

ALBANIA

Alia Informed of Harvest Results in Country
(ATA, various dates)...................................... 31

Lushnje Wheat Harvest 31
Berat Cooperative's Results 32
Fier Wheat Harvest 33
Elbasan Overfulfills Plan 33

CZECHOSLOVAKIA

Housing Situation Analyzed by Government Official
(Alois Andrle; INVESTICNI VYSTAVBA, No 4, 1985)........... 35

GERMAN DEMOCRATIC REPUBLIC

Economic Goals, Procedures Outlined
(Guenter Mittag; EINHEIT, No 6, Jun 85)................... 47

Revised Agricultural Policy Combines Crop, Livestock Production
(FRANKFURTER RUNDSCHAU, 5 Jun 85; FRANKFURTER ALLGEMEINE,
25 Jun 85).. 60

Cooperative Councils Established 60
Rights, Obligations Outlined 62

Conservation Measures Applied To Combat Seacoast Erosion
(Holger Becker; NEUES DEUTSCHLAND, 6, 7 Jul 85)........... 63

HUNGARY

Enterprises, Economists Debate Sources of Growth
(Ilona Kocsi; MAGYAR HIRLAP, 2 Jul 85)................... 68

POLAND

New Five-Year Plan Critiqued by Interest Groups
(ZYCIE GOSPODARCZE, No 27, 7 Jul 85)..................... 72

Views of Academic Economists, by Marzena Kowalska 72
Position of PRON Committee 75

Mobilizing Political Support for Economic Reform
(ZYCIE GOSPODARCZE, No 20, 19 May 85)..................... 78

Journal Examines Market Role in Planned Economy
(ZYCIE WARSZAWY, No 20, 19 May 85)....................... 80

Rules on Allocated Materials Resale Relaxed
(ZYCIE GOSPODARCZE, No 20, 19 May 85)..................... 82

Economists Confer on Franchising System Problems
(Janusz Turakiewicz; ZYCIE GOSPODARCZE, No 20, 19 May 85). 83

Industry Representatives Polled on Reform
(Zygmunt Szeliga; POLITYKA, 8 Jun 85)..................... 84

Foreign Trade, National Income Growth Wed in Plan
(Tomasz Bartoszewicz; TRYBUNA LUDU, 26 Jun 85)............ 86

Polish Ham Exports to U.S. Analyzed, Justified
(Jerzy Wierzbicki; PRZEMYSL SPOZYWCZY, No 1, Jan 85)...... 89

National Tourist Agency Imposes New Travel Restrictions
(ZYCIE WARSZAWY, No 20, 19 May 85)....................... 93

Briefs

Polish, French Finance Ministers Meet 94
Polish-Yugoslav Trade 94
Polish Helicopter in USSR 95
Shipping Industry Problems 95

YUGOSLAVIA

Small Business Status, Tax Policy Discussed
(P. Sitarski; EKONOMSKA POLITIKA, 8 Jul 85)............... 96

Economist Interviewed on Usefulness of Large Systems
(Stojan Novakovic Interview; NEDELJNE INFORMATIVNE
NOVINE, No 1796, 2 Jun 85)................................ 100

JPRS-EEI-85-068

26 August 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

Soviet Ambassador Grekov Dwells on Economic Problems (Leonid Grekov Interview; POGLED, 1 Jul 85) 1

Bucharest-Based Chemical Fiber Unit Promotes CEMA Cooperation (George Comanici; REVISTA ECONOMICA, 5 Jul 85) 8

BULGARIA

Aspects of Production Quality, Prices Examined (EKONOMICHESKI ZHIVOT, 3 Jul 85) 14

Omissions in Canning Industry 14
Quality and Price Control, by Gospodin Kortsanov 16

Disorganization, Weaknesses in Domestic Trade Exposed (STURSHEL, 5 Jul 85) 20

Garbage Removal Criticized 20
'Objective Reasons' Deplored, by Chavdar Shinov 21
Poor Plywood Quality, by Dobrin Dobrev 23
Consumer Spare Parts, by Nayden Iliev 24

Better Quality of Industrial Production Urged (Editorial; RABOTNICHESKO DELO, 18 Jul 85) 27

CZECHOSLOVAKIA

CSSR-USSR Long-Term Economic, R&D Cooperating Outlined (Rudolf Rohlicek; HOSPODARSKE NOVINY, No 23, 1985) 30

Problems in Logging Slovak Forests (Stefan Korpel; NOVE SLOVO, 11 Jul 85) 36

GERMAN DEMOCRATIC REPUBLIC

1984 Grain Production Factors Provide Estimate for 1985 Yield
(FELDWIRTSCHAFT, No 6, 1985) 40

HUNGARY

Production Taxes on TSZ Ancillary Activity Too High
(NEPSZABADSAG, 23 Jul 85) 43

Ganz Plant Plea for Independence Denied
(Kristof G. Kocsis; MAGYAR HIRLAP, 5 Jul 85) 44

Fodder Distribution System Deemed Unsatisfactory
(Lajos Laszlo; FIGYELO, 11 Jul 85) 48

POLAND

Planner Defends CEMA Cooperative Policy
(Stanislaw Dlugosz Interview; RZECZPOSPOLITA,
25 Jul 85) 52

Minister Outlines Future Reform Plans
(Wladyslaw Baka Interview; RZECZPOSPOLITA,
30 Jul 85) 56

Debt Rescheduling Agreement Assessed
(Jacek Poprzeczko; POLITYKA, 27 Jul 85) 59

Raw Material, Energy Prospects
(Andrzej Zmuda; ZYCIE WARSZAWY, 9 Jul 85) 62

UN Expert Valuates North-South Highway Project
(Jean Duquesne Interview; GLOS WYBRZEZA, 5 Jul 85) .. 67

Investment Plan Criticized as Inadequate
(Stefan Sokulski; SLOWO POWSZECHNE, 9 Jul 85) 69

Planning Official Answers Economist
(RZECZPOSPOLITA, 27-28 Jul 85) 73

Economic Council Critiques Plan Variant
(RZECZPOSPOLITA, 3 Jul 85) 75

Officials Meet With Foreign Trade Reps
(TRYBUNA LUDU, 11, 17 Jun 85; ZYCIE WARSZAWY,
12 Jun 85) 77

British, West Germans Assess Trade 77
Trade Talks in Poznan 78
Trade With Iran Probed 80

Geologists Complain Ministers Ignore Input on Mineral Resources
(Jan Kostecki; ZYCIE GOSPODARCZE, 7 Jul 85) 81

Auto Industry Exports Up
(RZECZPOSPOLITA, 29 Jul 85) 83

Briefs
Polish-Finnish Trade 85
Barcikowski Chairs Economic Meeting 85
Michalek Chairs Economic Meeting 85

ROMANIA

Role of Coal as Energy Base of Country
(STIINTA SI TECHNICA, June 85) 86

Prospects for Future Reserves, by A. Hinculov 86
Training Workers for the Mines, by Constantin Spataru 89
Technical Progress in Mines, by Gheorghe Giuclea 91

YUGOSLAVIA

Associated Labor Discussed in Federal Council for Social Order
(Vinko Kastelic Interview; EKONOMSKA POLITIKA, 8 Jul 85) 94

Politically Appointed Managers Called 'Flaw' in Self-Management
(Editorial Report) 103

Changes in Foreign Exchange Allocation for 1985
(SLUZBENI LIST SFRJ, 12 Jul 85) 105

JPRS-EEI-85-069

30 August 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

CEMA in a Changing World Discussed
(Laszlo Csaba; KULPOLITIKA, No 3, 1985) 1

CZECHOSLOVAKIA

Soviet Microcomputers To Be Sold in CSSR Markets
(TECHNICKY TYDENNIK, No 24, 1985) 30

POLAND

National Budget for 1985
(DZIENNIK USTAW, No 59, 29 Dec 84) 32

Population Changes Alter Long-Term Economic Picture
(Iwona Czechowska; RZECZPOSPOLITA, 29-30 Jun 85) 100

Ministry Gives Progress Report on Food Program
(Kazimierz Placzkiewicz; PRZEMYSL SPOZYWCZY, No 10, Oct 84) 104

Polish-Soviet Cooperative Case Studies
(RZECZPOSPOLITA, 18, 24 Jun 85) 116

Chmielnicki Nuclear Power Plant, by Tomasz Bartoszewicz 116
Szczecin Shipyards, by Krzysztod Pohl 118

JPRS-EEI-85-070

3 September 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

Briefs

Yugoslav Crankcases to USSR 1
Yugoslav Units for Soviet Atomic Power Plants 1
Yugoslav Reduction Gears to USSR 1
Yugoslav-USSR Trade 1

BULGARIA

Smolyan Okrug Council Modernizes Small Enterprises
(Mikhail Kulishev; BULGARSKI PROFSOYUZI, No 6, 1985)....... 2

Sad State of Housing Industry Described
(Zoya Zakharieva; ANTENI, 5, 12 Jun 85).................... 5

Poor Quality of Locally Made Refrigerators Deplored
(Virdzhiniya Stefanova; OTECHESTVO, 25 Jun 85)............. 15

Economic Use of Raw Materials, Energy Urged
(Editorial; RABOTNICHESKO DELO, 1 Jul 85).................. 18

Editorial Calls for Rapid Implementation of Inventions
(RABOTNICHESKO DELO, 1 Jul 85)............................. 21

Comment on Efforts To Improve Quality of Shoes
(RABOTNICHESKO DELO, 4 Jul 85)............................. 24

HUNGARY

New, Joint Interest Enterprise Held Exemplary
(Katalin Bossanyi; NEPSZABADSAG, 24 Jun 85)................ 28

POLAND

Prospects for Polish Debt Payment Reviewed
(Jacek Mojkowski; ZYCIE WARSZAWY, 10 Jul 85)............... 31

Latest Issue of Economics Society Journal Reviewed
(ZYCIE GOSPODARCZE, No 27, 7 Jul 85)........................ 35

Aircraft Industry Exec on New Products, Growth Plans
(Jan Czerniecki Interview; SKRZYDLATA POLSKA, No 26, 30 Jun 85).. 37

Factory Accountant Interviewed on Wage Increases
(Warsaw Television Service, 26 Jul 85)..................... 41

Chemical, Light Industry Reports on Progress
(TRYBUNA LUDU, 28 Jul 85).................................. 43

New Energy Lines Open in Southern Poland
(TRYBUNA LUDU, 28 Jul 85).................................. 45

ROMANIA

Shortcomings in Quality of Protective Equipment for Workers
(Clara Dumitrescu; MUNCA, 21 Jun 85)........................ 46

Need To Modernize Structure of Economy Stressed
(Constantin Grigorescu; ERA SOCIALISTA, No 13, 10 Jul 85).. 50

Manpower, Electric Power Shortages Plague Irrigation Efforts
(AGRICULTURA SOCIALISTA, 8 Aug 85)......................... 59

YUGOSLAVIA

Problems in Tax Reform, Budget Discussed
(T. Dumezic; EKONOMSKA POLITIKA, 15 Jul 85)................ 61

Tax Discrimination Against Private Sector Deplored
(PRIVREDNI PREGLED, 3-5 Aug 85)............................ 67

Benefits of Large-Scale Private Versus Socialist Enterprises
(Vladimir Gligorov; EKONOMSKA POLITIKA, 15 Jul 85)......... 70

Data on Irrigated Land Areas as of 1981
(EKONOMIKA POLJOPRIVREDE, No 3, Mar 85).................... 72

Nonferrous Metallurgical Plans to Year 2000
(EKONOMSKA POLITIKA, 24 Jun 85)............................ 74

Excessive Personal Earnings in Oil Industry
(Milorad Urosevic; PRIVREDNI PREGLED, 19 Jul 85)........... 76

JPRS-EEI-85-071

9 September 1985

EAST EUROPE REPORT
ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

1984 CEMA Industrial Production Results
(SVET HOSPODARSTVI, No 84, 1985)........................... 1

CEMA Transportation Picture: Projections
(Krzstof Koprowski; ZYCIE WARSZAWY, 24 Jun 85)............ 3

CSSR Truck Producers Improvement Intentions Discussed
(SVET HOSPODARSTVI, No 84, 1985)........................... 6

CSSR-GDR Industrial Biotechnology Cooperation Viewed
(SVET HOSPODARSTVI, No 84, 1985)........................... 7

Joint Laboratory Agreement Terminated
(SVET HOSPODARSTVI, No 87, 1985)........................... 8

Research and Development Cooperation in CEMA
(SVET HOSPODARSTVI, No 87, 1985)........................... 9

Hydrocracking Plans in CSSR Announced
(SVET HOSPODARSTVI, No 84, 1985)........................... 10

ALBANIA

Use of Microcomputers in Economic Units Reviewed
(Gjergji Shiko, Ylind Tirana; PUNA, 28 Jun 85)............ 12

CZECHOSLOVAKIA

Fuel-Energy Complex Today, Tomorrow Discussed
(Roman Cizek; PLANOVANE HOSPODARSTVI, No 4, 1985)......... 15

GERMAN DEMOCRATIC REPUBLIC

Ten-Year Review of Recent Changes in Foreign Trade Structure
(Maria Haendke-Hoppe; FS-ANALYSEN, No 5, 1984)............ 32

HUNGARY

Economic, Legal Uncertainties Daunt Small Undertakings
(HETI VILAGGAZDASAG, No 29, 20 Jul 85).................... 69

Description of the Squeeze, by Agnes Tibor 69
Interview With Chief Auditor, Dezso Suto Interview 72

Society, Enterprises Face Dilemmas Posed by Dismissal of Directors
(Katalin Bossanyi; NEPSZABADSAG, 22 Jul 85)............... 74

POLAND

Food Industry Situation Assessed
(Janusz Tarniewski; DZIENNIK LUDOWY, 19 Jun 85)........... 79

YUGOSLAVIA

Causes for Serbia's Export Disadvantages Discussed
(V. Dunkanac; EKONOMSKA POLITIKA, 8 Jun 85)............... 82

Outlook for Unified Development of Nuclear Power Plants
(Radmila Jovanovic; PRIVREDNI PREGLED, 24 Jul 85)......... 85

Status of Livestock, Feed Industry Viewed
(GLASNIK POLJOPRIVREDNE PROIZVODNJE, PRERADE, I PLASMANA,
No 5, May 85)... 88

Crisis in Livestock Industry Discussed
(Vlastimir Popovic; PRIVREDNI PREGLED, 29 Jun-1 Jul 85)... 95

JPRS-EEI-85-072

10 September 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

Anniversary of Bulgarian-Hungarian Cooperation Marked
(Editorial; IKONOMICHESKI ZHIVOT, 10 Jul 85).............. 1

BULGARIA

CEMA Secretary Sichov Interviewed on Future Cooperation
(Vyacheslav Sichov Interview; IKONOMICHESKI ZHIVOT,
10 Jul 85).. 3

CZECHOSLOVAKIA

CSSR-Mongolian Cooperation
(Jiri Stano; RUDE PRAVO, 6 Jul 85)........................ 7

Bratislava Discusses Directive About Temporary Shop Closures
(Bratislava Domestic Service, 14 Aug 85).................. 9

Metallurgy, Heavy Engineering Results Summarized
(Jan Mara; HOSPODARSKE NOVINY, No 23, 1985)............... 10

GERMAN DEMOCRATIC REPUBLIC

Agriculture Official Advocates Increased Use of Fungicides
(Peter Schwaehn Interview; DEUTSCHE BAUERNZEITUNG,
No 23, 7 Jun 85).. 13

HUNGARY

Anomalies in Flow of Capital
(Vilmos Falubiro; FIGYELO, 1 Aug 85)...................... 16

Better Large, Small Undertaking Relations Urged
(Gaza Kovacs; FIGYELO, 1 Aug 85)........................ 20

Agricultural Goals for 1985 Outlined
(Imre Kovacs; FIGYELO, 1 Aug 85)........................ 23

Conflicts of Interest in Crop Production Systems
(Andrea Gallai; MAGYAR HIRLAP, 23 Jul 85)................ 28

Persistent Agricultural Problems Noted
(FIGYELO, 1 Aug 85)..................................... 32

POLAND

Vice-Minister Reviews Polish-Soviet Cooperation
(W. Gwiazda Interview; RZECZPOSPOLITA, 7 Jul 85).......... 34

Polish-Yugoslav Economic Protocol Drafted
(TRYBUNA LUDU, 10 Jul 85)................................ 36

India Interested in Shipbuilding Projects
(ZYCIE WARSZAWY, 6-7 Jul 85)............................. 38

Task Force Eyes Erosion of Economic Reform Laws
(Irena Dryll; ZYCIE GOSPODARCZE, No 21, 26 May 85)........ 40

Deputy Answers Criticism of Polonia Companies
(Longin Cegielski Interview; DZIENNIK LUDOWY, 7 Jun 85)... 45

New Law Restructures Polonia Companies Chamber of Commerce
(ZYCIE WARSZAWY, 7 Jun 85)............................... 48

Ecology Journal Comments on New Water Resources Program
(Stanislaw Wrobel; AURA, No 5, May 85)................... 49

Efficiency Question Addressed by Planning Commission Official
(Jozef Zajchowski; RZECZPOSPOLITA, 9 Jul 85).............. 52

Minister Sums Up Progress of New Science, Technical Agency
(Konrad Tot Interview; TRYBUNA ROBOTNICZA, 5 Jul 85)...... 54

Poles, Soviets Cooperate in Machine Tool Industry
(RZECZPOSPOLITA, 1 Jul 85)............................... 58

Kozienice Power Plant Accident Assessed
(RZECZPOSPOLITA, 9 Jul 85)............................... 60

Fuel, Energy Prospects to 1990
(Zbigniew Wyczesany; RZECZPOSPOLITA, 17 Jun 85).......... 62

Capital Expansion Needs of Fuels, Energy Industries Defended
(Krystyna Wypior; WIADOMOSCI GORNICZE, No 1, Jan 85)...... 65

Production of Coal, Other Energy Sources at Half-Year Mark
(RZECZPOSPOLITA, 1 Jul 85)................................ 75

Interagency Meeting on Problems in Mining Industry
(Marek Kownacki; ZYCIE WARSZAWY, 5 Jul 85)................ 77

Electricians Association Reports on Industry Problems, Needs
(Jacek Szpotanski; PRZEGLAD TELEKOMUNIKACYJNY, No 3, Mar 85).. 79

Manteuffel Discusses Agricultural Regions, Crop Distribution
(Ryszard Manteuffel; DZIENNIK LUDOWY, 8-9 Jul 85)......... 83

Briefs

Polish-Soviet Economic Cooperation 87
UNDP Rep Visits 87
Turks Offer Electronic Equipment 87
'BELCHATOW' Output 87
USSR Union Reps Visit 88
Polish-Hungarian Planners Meet 88
Soviet-Polish Rail Electrification 88
Soviet Herring Imports 88
Bus Contract With China 88
Fishing Agreement With USSR 89
New Turbine Testing Device Developed 89
Polish Cargo 89
Flood Statistics 89

ROMANIA

Efforts To Increase Automotive Industry Exports
(Olga Mihaescu; REVISTA ECONOMICA, No 28, 12 Jul 85)...... 90

YUGOSLAVIA

Status, Outlook of Ferrous Metallurgical Industry
(PRIVREDNI PREGLED, 20 Jun 85)............................ 96

Ferrous Metallurgical Production Plan for 1985
(Savo Markovic; CELIK, No 112, Feb 85).................... 98

'Partners' Withdraw From Kosovo Development Projects
(JEDINSTVO, 13 Jul 85).................................... 102

JPRS-EEI-85-073

12 September 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

CZECHOSLOVAKIA

Fuels, Energy Situation Reviewed
(Frantisek Antene; HOSPODARSKE NOVINY, No 29, 1985)....... 1

Consumption Intensity of Production Discussed
(Michal Spak, Jan Voboril; HOSPODARSKE NOVINY, No 29, 1985).. 4

Production of Tape Recorders Lagging
(Vaclav Marek; RUDE PRAVO, 28 Jun 85)..................... 16

POLAND

Foreign Trade Picture at Half-Year Mark
(Jan Siebeneichen; ZYCIE GOSPODARCZE, No 32, 11 Aug 85)... 18

Trade Official Details Foreign Imports
(Roman Krawczyk Interview; ZYCIE WARSZAWY, 15 Jul 85)..... 23

Technology Transfer With West Europe
(DZIENNIK ZACHODNI, 13 Aug 85)........................... 26

Steel Mill Director Details Problems
(MAGAZYN HUTNICZY, No 30, 22 Jul 85)...................... 27

Increased Share of Polonia Firms in Foreign Trade Sought
(Jerzy Szopa Interview; PRZEGLAD TYGODNIOWY, No 30, 28 Jul 85)... 32

Anti-Profiteering Commission Examines Polonia Firms
(ZYCIE WARSZAWY, No 184, 9 Aug 85)........................ 35

New Pay System Successes, Failures Summarized
(ZYCIE WARSZAWY, 19 Aug 85).............................. 38

Cheaper Domestic Hard Currency Credits Offered
(RZECZPOSPOLITA, 19 Aug 85).............................. 41

Polish Shipping Company Slowly Recovering
(ZYCIE WARSZAWY, 19 Aug 85).............................. 42

Specialists Speak Frankly of Maritime Industry Crisis
(Kazimierz Kolodziej; GLOS WYBRZEZA, No 156, 6-7 Jul 85). 43

Norway, Sweden on Agricultural Fund
(PRZEGLAD KATOLICKI, No 26, 18 Jun 85)................... 48

Briefs

Mining Commission Meets 49
Mining Operation Expands 49
Italy Supports Agricultural Fund 49
Swedish Ferry for Poland 50
Marine Equipment to Turkey 50
Oil Drilling Resumed 50
Turkish Coal Reps Visit 50

YUGOSLAVIA

Status of Croatian Maritime Fleet
(Jasen Grubic; PRIVREDNI PREGLED, 9 Jul 85)............... 51

Problems in Development of Rijeka, Other Seaports
(S. Slahora; PRIVREDNI PREGLED, 9 Jul 85)................ 55

New Kosovo Hydro-System of Little Use During Drought
(PRIVREDNI PREGLED, 9 Aug 85)............................ 58

Briefs

Strikes in Bosnia-Hercegovina 59
Bosnian Work in Libya 59
Unemployment Data 59
Bar Port Potential 60
Investment in Kosovo 60
Investment Increases 61

JPRS-EEI-85-074

16 September 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

Possibilities of EEC-CEMA Cooperation Viewed
(SVET HOSPODARSTVI, No 85, 1985)........................... 1

Through Integration to More Rational Use of Fuel Resources
(SVET HOSPODARSTVI, No 83, 1985)........................... 4

BULGARIA

Economic Use of Energy Resources Urged
(Angel Bonev; RABOTNICHESKO DELO, 20 Jul 85).............. 7

Daily Exposes Waste of Resources, Thefts From Farms, Enterprises.
(RABOTNICHESKO DELO, various dates)....................... 9

Socialist Property Management in Burgas, by Nedyalko Khadzhiev, et. al. 9
Waste of Water Condemned, by Lulivera Krusteva, Dragomir Penchkovski 15
Environmental Concerns About Water, by Purvan Todorov 18
Water for Irrigation, by Katya Pettova, Dimitur Trifonov 19

Water Shortage, Pollution Create Serious Problems
(POGLED, 27 May 85).. 23

Pollution in Yantra River 23
Water Shortage in Bulgaria, by Zorka Krusteva 24

CZECHOSLOVAKIA

CC CPCZ Secretary Notes Intensification as Only Way Ahead
(Miloslav Hruskovic; HOSPODARSKE NOVINY, No 24, 1985)..... 28

CEMA-Wide International Division of Labor Discussed
(Josef Kraus, Josef Volosin; HOSPODARSKE NOVINY, No 30, 1985).. 35

CSSR Engineering Exports to CEMA Countries Discussed
(SVET HOSPODARSTVI, No 87, 1985).......................... 44

Cuba, CSSR Exchange Goods
(Stanislav Hlavsa; RUDE PRAVO, 2 Jul 85).................. 47

CSSR Water Management Surveyed
(Zdena Vejvodova; HALO SOBOTA, 27 Jul 85)................. 49

Construction of Economic Indicators Discussed
(Stefan Schlosser; STATISTIKA, No 5, 1985)................ 52

GERMAN DEMOCRATIC REPUBLIC

Expansion of Berlin Railway Station Initiated
(Peter Jochen Winters; FRANKFURTER ALLGEMEINE, 10 Jul 85).. 65

POLAND

Minister Describes Plans for Reform Progress
(Zdzislaw Sadowski Interview; RZECZPOSPOLITA, 13-14 Jul 85)... 68

Minister Comments on Paris Club Agreement
(Witold Bien Interview; ZYCIE WARSZAWY, 20-22 Jul 85)..... 73

Government Report on Economic Reform Implementation in 1984
(RZECZPOSPOLITA, 25 Jul 85, REFORMA GOSPODARCZA, No 58, 25 Jul 85).. 75

Shipyard Output for 1984 Detailed
(BUDOWNICTWO OKRETOWE, No 5, May 85)...................... 97

Transportation Industry Addresses Reform Problems
(Miroslawa Dabrowa-Bajon; MOTORYZACJA, No 3, Mar 85)...... 102

Ministerial Decree on Allocation of Itemized Subsidies
(MONITOR POLSKI, No 15, 26 Jun 85)........................ 107

Export-Import Trade Deals Signed at Poznan Fair
(RZECZPOSPOLITA, various dates).............................. 113

Big Hungarian Credit Line 113
Breakdown for East, West Deals 114
Wrap-up Report on Fair 115

Polish Bank Official Explains Debt Rescheduling
(Mieczyslaw Wodzicki; TRYBUNA LUDU, 17 Jul 85)............ 117

Economists Criticize Price Freeze Policy
(Marek Misiak; ZYCIE GOSPODARCZE, No 28, 14 Jul 85)....... 119

Polish-Soviet Sci-Tech Cooperation Plan Drafted
(ZYCIE WARSZAWY, 20-22 Jul 85).............................. 122

Polish-Czech Cooperative Agreements
(Janusz Latoszka; ZYCIE WARSZAWY, 13-14 Jul 85)........... 124

Italian Company Checks Out Trade Possibilities
(ZYCIE WARSZAWY, 19 Jul 85)................................. 126

Gasline Progress, Problems Detailed
(Tomasz Bartoszewicz; RZECZPOSPOLITA, 15 Jul 85).......... 127

Aspects of Consumer Goods Picture Detailed
(Joanne Solska; POLITYKA, 8 Jun 85)........................ 129

Academicians Air Views on 5-Year Plan
(ZYCIE GOSPODARZE, No 29, 21 Jul 85)....................... 134

Ship Sales to USSR Defended
(Henryk Jezierski; POLITYKA, No 29, 20 Jul 85)............ 136

Briefs

Polish-French Debt Talks 139
Polish-Soviet Sci-Tech Cooperation 139
Trawlers for Holland 139
Domestic Cargo Ships 140

YUGOSLAVIA

Economist Decries Social Ownership, Other Tenets of System
(Strasimir Popovic Interview; EKONOMSKA POLITIKA,
29 Jul 85).. 141

JPRS-EEI-85-075

20 September 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

CEMA Price Policy Trends Analyzed
(Tomasz Gorczak; ZYCIE GOSPODARCZE, No 29, 21 Jul 85)..... 1

U.S. Economic Discrimination Attacked
(Vaclav Soukup; RUDE PRAVO, 10 Aug 85)..................... 7

Bringing Metallurgy Into International Decision of Labor Urged
(Miroslav Houzvicka; SVET HOSPODARSTVI, No 85, 1985)...... 10

CZECHOSLOVAKIA

Mining Plans 'Revised' To Protect Nature
(Dalibor Macha; RUDE PRAVO, 30 Aug 85)..................... 15

Briefs

Belgian Socialist Party Received 16
Harvest Results 16
Excavation Progress at Gabcikovo 16
Gold Discovered in Slovakia 16
Slovak Economic Development 16
International Math Conference 17
Swedish Newspaper on 'Seabed Tracks' 17

HUNGARY

Mid-Year Foreign Trade Results Examined
(Gyorgy Pataki; FIGYELO, No 30, 25 Jul 85)................. 18

Official Quizzed on Enterprise Changes
(Katalin Bossanyi; NEPSZABADSAG, 7 Aug 85)................. 23

47

Outcome of Warsaw CEMA Meeting Reviewed
(Istvan Matko; MAGYARORSZAG, 7 Jul 85).................... 28

Rents for Business Premises Increase Sharply
(Istvan Graner; MAGYAR HIRLAP, 15 Jul 85)................. 32

POLAND

Warsaw Area Industrial Production Appraised
(ZYCIE WARSZAWY, 29 Jul 85)............................... 35

Economic Crimes in Private Sector
(RZECZPOSPOLITA, 30 Jul 85)............................... 36

Lost Working Time Statistics Jan-May 85
(ZYCIE GOSPODARCZE, No 32, 11 Aug 85)..................... 38

PRAVDA Article on Soviet Economic Problems Summarized
(ZYCIE GOSPODARCZE, No 31, 4 Aug 85)...................... 40

East Bloc Shipping Directory Panned, Defended
(TECHNIKA I GOSPODARKA MORSKA, No 5, May 85)............... 42

Reviewer: A Book of 'Little Value' 42
Author's Rebuttal 44

Manufacturing Industries Ranked for Export Volume
(HANDEL ZAGRANICZNY, No 4, Apr 85)........................ 48

Producer Goods Procurement Rules for Five-Year Plan
(ZYCIE GOSPODARCZE, No 32, 11 Aug 85)..................... 59

Polish Agricultural Aircraft, Service to Nicaragua
(Przemyslaw Wieckowski Interview; SKRZYDLATA POLSKA,
No 29, 21 Jul 85)... 61

Preparations for Agricultural Machinery Exhibit
(RZECZPOSPOLITA, 27-28 Jul 85)............................ 63

Fruit Exports Up
(RZECZPOSPOLITA, 24 Jul 85)............................... 64

Briefs

Squid to Yugoslavia 66

ROMANIA

Briefs

New Coking Coal Mine 67
New Thermoelectric Plants 67
New Offshore Drilling Platform 67
New Port Planned 68
Record Coal Output 68
Indonesian-Romanian Economic Commission 68
Energy Development Program 68
Merchant Fleet Development 69
New Thermal Plant 69

YUGOSLAVIA

Dolanc Calls for Better Work, Organization in Economy (BORBA, 16 Aug 85).. 70

Dolanc Examines Economic Life of Gorenjska (TANJUG, 6 Sep 85).. 72

Slovene Leaders', Officials' Pay Specified (J. Pjevic; BORBA, 23 Aug 85).............................. 74

Koper Port LC Denounces 'Organized Strike' (D. Damjanovic; POLITIKA, 17 Aug 85)....................... 76

Energy Situation 'Relatively Favorable' (D. Gorsek; BORBA, 14 Aug 85).............................. 78

Development, Future Plans for Croatian Petrochemical Industry (N. Plavsic; KEMIJA U INDUSTRIJI, No 6, Jun 85).......... 79

Below-Plan Harvest Expected Due to Drought (various sources, 28 Aug 85)............................. 92

Briefs

Higher Deficit in Agricultural Foreign Trade 94
Sea Fish Catch Increased 94
Health Care Study Conducted 94

JPRS-EEI-85-076

27 September 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

CZECHOSLOVAKIA

CSSR-Soviet Cooperation in Machine Industry
(Marcela Vanorna; RUDE PRAVO, 20 Aug 85).................. 1

KURIER Reporter Visits Nuclear Power Plant
(KURIER, 7 Aug 85).................................... 3

New Method of Removing Nitrogen Compounds From Water
(RUDE PRAVO, 20 Aug 85)................................ 5

EC 1027 Computer Capability Viewed
(Eng Marcel Jirina; MECHANIZACE AUTOMATIZACE ADMINISTRATIVY,
No 6, 1985).. 6

GERMAN DEMOCRATIC REPUBLIC

New Regulation on Postal Duties Examined
(Juergen Falke; DIE DEUTSCHE POST, No 4, 1985)............ 10

HUNGARY

Wage Increases at Indebted Enterprises Explained
(Ilona Kocsi; MAGYAR HIRLAP, 30, 31 Jul 85)............... 15

Coal Mining Industry Problems Examined
(Endra Babus; HETFOI HIREK, No 31, 3 Aug 85).............. 21

Survey Reveals Enterprise Pessimism on Performance Potential
(HETIVILAGGAZDASAG, 10 Aug 85)........................... 26

POLAND

Academy of Sciences Polls Company Managers on Reform
(Ewa Maslyk, Julian Pankow; ZYCIE GOSPODARCZE, No 29, 14 Jul 85).................................... 32

Gasline Operation Expected Ahead of Schedule
(ZYCIE WARSZAWY, 27-28 Jul 85)........................... 41

Science, Industry Research Projects Reviewed
(RZECZPOSPOLITA, 24 Jul 85)............................... 42

Industrial Regeneration Eases Import Needs
(ZYCIE WARSZAWY, 25 Jul 85)............................... 44

'Belchatow' Power Station Progress
(RZECZPOSPOLITA, 23 Jul 85)............................... 46

Expert Outlines Transit System Problems, Prospects
(Witold Andruszkiewicz; PRZEGLAD TYGODNIOWY, No 33, 18 Aug 85).. 47

Briefs
Szalajda Delegation Hold Talks 52
Officials Sign 1986-90 Protocol 52
Consumer Union Congress Continues 52
Trade Exhibition in Beijing 52
Zrnowiec Atomic Plant 53
Power Tool Production 53

ROMANIA

Harmonious Distribution of Production Forces Sought
(Nicolae Ionescu; ERA SOCIALISTA, No 15, 10 Aug 85)....... 54

Shortcomings in Realizing Investment Program
(B. Vasile, B. Corneliu; REVISTA ECONOMICA, No 30, 26 Jul 85).. 64

YUGOSLAVIA

Gas Supply Agreement With Algeria Signed
(D. Nedeljkovic; EKONOMSKA POLITIKA, 12 Aug 85)........... 68

Electric Power Production, January-August 1985
(EKONOMSKA POLITIKA, 12 Aug 85).......................... 71

Bank Association Head Discusses Money Market
(Vladimir Krsulj Interview; EKONOMSKA POLITIKA, 17 Jun 85). 72

Anxiety About Wealth Cited as Obstacle in Private Sector
(Toma Dzadzic; NEDELJNE INFORMATIVNE NOVINE, No 1803, 21 Jul 85).. 75

Data on Earnings, Number of Small Businesses
(V. Karakasevic; EKONOMSKA POLITIKA, 12 Aug 85)........... 80

Persistent Obstacles To Stabilization Detailed
(Branko Colanovic; NEDELJNE INFORMATIVNE NOVINE, No 1803, 21 Jul 85).. 83

JPRS-EEI-85-077

1 October 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

GDR Fish Transport Vessel Used by USSR
(Hans-Joachim Taeger, Adolf Sawade; SEEWIRTSCHAFT, No 7, Jul 85) 1

BULGARIA

Comment on Economic, Scientific Cooperation With USSR
(Ivan Todorov; IKONOMICHESKI ZHIVOT, 3 Jul 85) 15

Variety of White-Collar Crimes Described
(ANTENI, 17 Jul 85) 18

Excessive Waste of Raw Materials, Energy Exposed
(Lazar Rosnev; POGLED, 8 Jul 85) 25

Foreign Trade Officials Adopt Western Business Practices
(Ivan Ganev; POGLED, 8 Jul 85) 28

CZECHOSLOVAKIA

Party Official Assesses Fuel, Power Situation
(PRAVDA, 9 Sep 85) 33

Electronic Upgrades in Fuels, Energy Field Viewed
(Jiri Jise; AUTOMATIZACHE, No 5, 1985) 35

Possibility for Increasing Reliability of Power Blocks Seen
(Otokar Randak; AUTOMATIZACE, No 5, 1985) 41

Briefs

Soviet Computers 47
Nuclear Plant Reaches Capacity 47

HUNGARY

Marothy Foresees Economic Difficulties
(Laszlo Marothy Interview; MAGYAR HIRLAP, 18 Aug 85) 48

Untraceable Incomes Foil Tax Authorities
(OTLET, 27 Jun 85) 54

Wage Egalitarianism Alien to Marx
(Gyula Lakatos Interview; OTLET, 27 Jun 85) 59

More Regulations Make High Income Simple To Hide
(Miklos Karolyi Interview; OTLET, 27 Jun 85) 62

Problems, Achievements of First Industrial Private Undertaking
(Laszlo Rozsahegyi Interview; HETI VILAGGAZDASAG, 13 Jul 85) 66

POLAND

Poll Indicates Obstacles To Direct Foreign Trade
(Jozef Sobota; ZYCIE GOSPODARCZE, No 30, 28 Jul 85) 70

Results, Future of Government Orders, Operational Programs
(RZECZPOSPOLITA, 31 Jul 85) 76

Customs Duties Aid 'Pewex' Sales Raised
(RZECZPOSPOLITA, 31 Jul 85) 78

Planners Discuss Reform Modifications
(RZECZPOSPOLITA, 12 Jul 85) 80

New Industrial Products, Export Deals Profiled
(POLISH TECHNICAL REVIEW, No 1, 1985) 82

Export Sales of Small-Scale Manufacturing Plants
(POLISH TECHNICAL REVIEW, No 1, 1985) 85

Fiat Renews Contract, Offers Credit
(ZYCIE WARSZAWY, 12, 16 Jul 85; TRYBUNA LUDU, 16 Jul 85) 86

Contract, Credit Line for Remodeling, by Dariusz Piatkowski 86
New Fiat Production Plans, by Dariusz Piatkowski 87
Fiat Representative Expresses Optimism, by Krystyna Szelestowska 89

CEMA Machine Industry Cooperation
(Eugeniusz Szatkowski Interview; RZECZPOSPOLITA, 12 Jul 85) 92

ROMANIA

Contribution of Economic Branches to Formation of National Income
(I. Capanu, P. Wagner; REVISTA ECONOMICA, No 31, 2 Aug 85) 94

Strengthening of Self-Financing in Economic Units
(Nicolae Savoiu; REVISTA ECONOMICA, No 31, 2 Aug 85) 100

Israeli Company To Establish Factory
(Hayim Bi'or; DAVAR, 8 Sep 85) 105

Need To Respect Consumption Norms
(D. Fundatura; REVISTA ECONOMICA, No 31, 2 Aug 85) 106

Coordinates for Development, Modernization of Agriculture
(Gh. N. Iosif; REVISTA ECONOMICA, No 31, 2 Aug 85) 109

Increased Use of River Transport Vessels
(Emil Gavrila, Emilia Tanasescu; REVISTA ECONOMICA, No 31, 2 Aug 85) 117

Briefs

Water Management Results 122
Poarta Alba Midia Canal Progress 122
Hydropower Plants on Olt 122
Danube-Black Sea Canal 123

YUGOSLAVIA

Export Ineffectiveness of Large Croatian Firms Noted
(Drago Buvac; START, No 430, 13 Jul 85) 124

Plans for Developing Kosovo Coal Reserves
(Dragan Nedeljkovic; EKONOMSKA POLITIKA, 19 Aug 85) 128

JPRS-EEI-85-078

4 October 1985

EAST EUROPE REPORT
ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

CEMA Cooperation in Rail Transportation Detailed
(Heinz Gerber; EISENBAHNPRAXIS, No 4, 1985)............... 1

ALBANIA

Shortfalls in Exports of Minerals Continue in Korge, Mirdite
(ZERI I POPULLIT, 6, 7 Jul 85)............................ 15

Pledges Ignored in Rehove Copper Mine, by Kostaq Duka 15
Deficiencies in Spac, Kurbnesh Mines, by Pal Mehilli 16

Need for Self-Reliance, Economizing Stressed by Isai
(Hekuran Isai; ZERI I POPULLIT, 27 Jul 85)................ 18

CZECHOSLOVAKIA

Agricultural Policy for Five-Year Plan Announced
(Editorial; RUDE PRAVO, 3 Sep 85)......................... 24

Briefs

Nuclear Power Plant Unit Trial 27
Textile Plant for Mozambique 27
Czech Harvest Estimates 27
Sugar Beet Harvest Estimates 28
Sugar Beet Harvest Viewed 28

GERMAN DEMOCRATIC REPUBLIC

DIW Mid-Year Assessment of 1985 Economic Performance
(DIW WOCHENBERICHT, No 32, Aug 85)........................ 29

Recent Problems in Establishing Drinking Water Reserve Areas
(WASSERWIRTSCHAFT/WASSERTECHNIK, No 4, May 85)............ 42

Groundwater Resource Management Stressed, by Ludwig Luckner 42
Water-Use Regulations Enforced, by Dietrich Kramer 47

HUNGARY

Industrial Achievement of 1984 Analyzed
(Marton Peto; FIGYELO, 15 Aug 85)......................... 52

Effects of Structural Changes on Investments
(Peter Kardos; NEPSZABADSAG, 21 Aug 85).................. 57

Industry Held To Be in Critical Condition
(Ivan Wiesel; MAGYARORSZAG, No 35, 1 Sep 85)............. 62

Changes in Rating of Top 100 Industrial Enterprises Published
(FIGYELO, 29 Aug 85)...................................... 69

Stiffer Penalties Urged for Business Which Circumvents Laws
(Tibor Levai; NEPSZABADSAG, 17 Aug 85)................... 79

Relation of Innovation to Exportability Studied
(Jozsef Nyers; FIGYELO, 15 Aug 85)....................... 83

New Bankruptcy Law Suffers Year's Delay
(Ilona Kocsi; MAGYAR HIRLAP, 27 Aug 85).................. 90

Prospects for Profitable Foodstuff Exports Poor
(Imre Dunai Interview: NEPSZABADSAG, 27 Aug 85)........... 94

Private Plot Profits Exaggerated, Misunderstood
(Peter Halasz; OTLET, 4 Jul 85).......................... 99

POLAND

Minister Admits, Describes Domestic Impediments to Foreign Trade
(Tadeusz Nestorowicz Interview; POLITYKA, No 33, 17 Aug 85)... 103

Foreign Trade Prospects in Five-Year Plan Challenged
(POLITYKA, No 34, 24 Aug 85)............................. 108

Polish-Chinese Trade Plans Detailed
(Milosz Weglewski; RYNKI ZAGRANICZNE, 20 Jul 85).......... 117

New Draft Law on Joint Ventures
(Jerzy Szydlowski; RYNKI ZAGRANICZNE, 18 Jul 85).......... 121

Glowacki on Reform in Commerce, Services
(Andrzej Glowacki Interview; VETO, 14 Jul 85)............ 123

Baka Summarizes Reform Progress, Plans
(Wladyslaw Baka; RZECZPOSPOLITA, 25 Jul 85).............. 136

Why Industry Development Funds Poorly Exploited
(Krzysztof Bien; RZECZPOSPOLITA, 15 Jul 85).............. 141

Engineering Professor on Expectations, Reality in Research
(Jozef Smigielski; POLITYKA, No 32, 10 Aug 85)........... 144

Parameters of Planning Commission Activity Evaluated
(Janusz Szymanczyk; GOSPODARKA PLANOWA, No 2, Feb 85).... 147

Agricultural Foundation Committee Confers
(GOSC NIEDZIELNY, No 31-32, 11-18 Aug 85)................ 150

Aluminum Plant Modernization Program
(TRYBUNA LUDU, 14 Aug 85)................................ 151

Coal Transport Still Behind Schedule
(RZECZPOSPOLITA, 16 Aug 85).............................. 152

Silesian Mining, Metallurgy Fair
(RYNKI ZAGRANICZNE, 22 Aug 85)........................... 154

Briefs
Pole Vicechair of UNIDO 156
Polish-West German Chemical Industry Talks 156
Power Station Fire 156

YUGOSLAVIA

FRG Weekly Reviews Permanent Political, Economic Crisis
(DER SPIEGEL, 2 Sep 85).................................. 157

JPRS-EEI-85-079

11 October 1985

EAST EUROPE REPORT
ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

BULGARIA

Specialist Outlines Ways To Increase Agricultural Output
(Kiro Kostov; RABOTNICHESKO DELO, 19 Aug 85)............. 1

Illegal Foreign Currency Deals Examined
(Simeon Bochev Interview; NARODEN STRAZH, 24 Jul 85)...... 4

Choice of Second Crops Must Be Decided by Farmers
(Khristo Sharlopov; POLITICHESKA AGITATSIYA, No 14, 1985). 7

GERMAN DEMOCRATIC REPUBLIC

Credit Restrictions Limit Potential for Inner-German Trade
(SUEDDEUTSCHE ZEITUNG, 22 Aug 85)......................... 11

Successful Operation of Private Carpenter's Shop Detailed
(Gerd Zitzelsberger; FRANKFURTER ALLGEMEINE ZEITUNG, 13 Apr 85).. 13

HUNGARY

Ailing Agriculture To Receive State Supports
(MAGYAR HIRLAP, 14 Sep 85)................................ 15

More Supports To Maintain Agricultural Progress Essential
(MAGYAR HIRLAP, 22 Aug 85)................................ 19

High Shipping Costs Erode Profits
(Ferenc Jaszonyi; MUSZAKI ELET, 17 Aug 85)................ 22

POLAND

Growth in Domestic Hard Currency Credits
(RZECZPOSPOLITA, 23 Aug 85).............................. 27

Change in Scope of Government Orders
(RZECZPOSPOLITA, 29 Aug 85).............................. 28

Ministry Discusses Foreign Trade Licenses, Joint Stock Companies
(RZECZPOSPOLITA, 15 Aug 85).............................. 30

Metallurgy Trade Prospects With Africa
(RZECZPOSPOLITA, 30 Aug 85).............................. 33

New Carpathian Gas Source
(ZYCIE WARSZAWY, 27 Aug 85).............................. 34

Briefs
Polish-Soviet Construction Protocol 35
Szalajda Meets USSR's Marchuk 35

ROMANIA

Development of Civil Aviation Outlined
(Dumitru Puiu; LUPTA CFR, 14 Jun 85)..................... 36

TAROM Director Reviews Airline's Activity
(Livius Sabau Interview; LUPTA CFR, 24 May 85)........... 38

YUGOSLAVIA

1985 Budget of Foreign Exchange Reserves
(SLUZBENI LIST SFRJ, No 38, 26 Jul 85)................... 40

Elements Built Into Inflationary Trends Analyzed
(Branko Colanovic; NEDELJNE INFORMATIVNE NOVINE, No 1806, 11 Aug 85).. 42

Problems of Land Policy, Farm Size Reviewed
(Milutin Tijanic; GLASNIK POLJOPRIVREDNE PROIZVODNJE, PRERADE I PLASMANA, No 6, Jun 85)........................ 48

JPRS-EEI-85-080

15 October 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

CEMA Advances in Standardization of National Accounts Statistics
(Kazimierz Antonik; WIADOMOSCI STATYSTYCZNE, No 6, Jun 85) 1

CZECHOSLOVAKIA

Lenart Attends CPSL Economic Aktiv in Bratislava
(Prague Domestic Service, 19 Sep 85) 9

Lenart Stresses Tasks at Party Economic Meeting
(Prague Domestic Service, 19 Sep 85) 10

Central Slovak Party Leader Reports on Economic Progress
(Prague Domestic Service, 23 Sep 85) 11

North Bohemian Party Leader Critical of Industrial Progress
(Prague Domestic Service, 23 Sep 85) 12

Hruskovic Attends Central Slovak Economic Conference
(Bratislava Domestic Service, 23 Sep 85) 13

Hoffmann, Colotka, Pitra Attend Regional Aktivs
(Prague Television Service, 20 Sep 85) 15

Haman Notes Industries Lagging Behind
(Prague Domestic Service, 19 Sep 85) 17

Briefs

Talks in Moscow 18
North Moravian Aktiv 18
Havlin Addresses Aktiv 18
Cooperative Farmers' Meeting 19

65

GERMAN DEMOCRATIC REPUBLIC

INTERFLUG Director Reviews Air Transport Achievements
(Klaus Henkes; INFORMATIONEN DER ZIVILEN LUFTFAHRT, No 4, 1985) 20

Labor Tasks Formulated for Integrated Manufacturing Systems
(SOZIALISTISCHE ARBEITSWISSENSCHAFT, No 2, Apr 85) 25

Workers' Attitude Toward Job Mobility, Retraining Viewed
(Rudhard Stollberg; WIRTSCHAFTSWISSENSCHAFT, No 3, Mar 85) 36

Architectural Quality, Esthetic Aspect Given New Emphasis
(Gerhard Krenz; ARCHITEKTUR DER DDR, No 5, May 85) 48

Storage Organization of Agricultural Produce, Fertilizers
(Wolfgang Hey; INTERNATIONALE ZEITSCHRIFT DER LANDWIRTSCHAFT, No 4, Aug 85) 54

HUNGARY

Roundtable Discusses Situation of Building Material Supplied
(Otto Inzsel, et al.; NEPSZABADSAG, 31 Aug 85) 61

Economic Cooperation With Japan Described
(Andra Varga; FIGYELO, No 57, 12 Sep 85) 69

Definition of 'Performance' Needed
(Ilona Kosci; MAGYAR HIRLAP, 23 Aug 85) 72

Plans To Rehabilitate Cable Works Discussed
(Tibor Nagy Interview; NEPSZABADSAG, 26 Aug 85) 75

POLAND

Polish-Soviet Cooperation in Crane Building
(Jerzy Zaskurski Interview; TRYBUNA LUDU, 8 Aug 85) 80

Polish-Soviet Raw Material Cooperation Defended
(Tomasz Bartoszewicz; RZECZPOSPOLITA, 2 Aug 85) 82

Change in Import Patterns With West, East Detailed
(Pawel Jagiello; HANDEL ZAGRANICZNY, No 4, Apr 85) 85

NOT Submits Strategic Economic Policy Plan for Review
(Alfred Wislicki; PRZEGLAD TECHNICZNY, Nos 26, 27, 30 Jun, 7 Jul 85) 93

Reform Official Calls for Increased Centralization
(Alojzy Melich Interview; ZYCIE WARSZAWY, 3, 4 Aug 85) ... 107

Polish-British Mining Cooperation
(ZYCIE WARSZAWY, 13 Sep 85) 111

Export Goals, Debt Repayment Viewed Pessimistically
(Tadeusz Bartoszewicz; RYNKI ZAGRANICZNE, No 104,
29 Aug 85) 112

Gasline Progress Report
(TRYBUNA LUDU, 9 Aug 85) 115

Inadequate Work Force To Limit Economic Development
(Krystyna Sonntag; TRYBUNA LUDU, 2 Aug 85) 118

New Rail Treatment Division at Steel Mill
(ZYCIE WARSZAWY, 8 Aug 85) 122

Insufficient Work Force, Production Down at Steel Mill
(Stanislaw Zielinski; TRYBUNA LUDU, 2 Aug 85) 123

Artificial Kidney Machines for Future Export
(ZYCIE WARSZAWY, 2 Aug 85) 126

Briefs

Polonian Medical Supply Firm 127
Polish-Soviet Food Supply Cooperation 127
Domestic Strip Mine Excavator 127
Colliery Increases Output 128
Horse Sale Nets Millions 128
Coal Transshipment Problems 128
Fish Trade With the USSR 128
Polish-USA Fishing Agreement 128

ROMANIA

Exports Restructured in Accordance With Demand
(I. Georgescu; REVISTA ECONOMICA, No 34, 21 Aug 85) 129

Development, Modernization of Domestic Trade System
(Constantin Iurea; COMERTUL MODERN, No 3, May-Jun 85) ... 133

Intensive Development of Agriculture Described
(Dumitru Dumitru; REVISTA ECONOMICA, No 34, 21 Aug 85) 140

YUGOSLAVIA

Bulgarian-Yugoslav Joint Venture Conditions Compared
(Ljubisa Dabic; VESNIK, Jun 85) 145

Agricultural Population Projected to Year 2000
(Milos Macura; GLASNIK POLJOPRIVREDNE PROIZVODNJE, PRERADE
I PLASMANA, No 5, May 85) 164

Link Between Inflation, Real Interest Rates Viewed
(Branko Colanovic; NEDELJNE INFORMATIVNE NOVINE, No 1809, 1 Sep 85) 168

JPRS-EEI-85-081

23 October 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

BULGARIA

Drought, Water Shortage Cause Concern for Food Supplies
(Various sources, 28 Aug 85) 1

Assistance for Drought Victims Outlined 1
Water Situation in Okrugs Described, by Ivan Nurkov 4

CZECHOSLOVAKIA

Worker Criticizes Management
(Frantisek Tvaruzek; HALO SOBOTA, 24 Aug 85) 7

Soil Erosion Problem Neglected
(RUDE PRAVO, 27 Aug 85) 9

GERMAN DEMOCRATIC REPUBLIC

Role of Money in Socialist Planned Economy Analyzed
(Waldfried Schliesser, Ursula Zufelde;
WIRTSCHAFTSWEISSENSCHAFT, No 5, May 85) 10

Aspects of Inner City Underground Construction Discussed
(BAUZEITUNG, No 8, Aug 85) 33

Construction Conference Cited, by H. Elze 33
Problems With Construction, Infrastructure,
by Andreas Schirmer, Frank Wache 34
Need for Coordination Stressed, by Mathias Werner 40

HUNGARY

Gyorgy Marosan on Innovation, Entrepreneurial Spirit
(Gyorgy Marosan Interview; MAGYAR HIRLAP, 17 Aug 85) ... 48

Director Says Income Policy Decimates Industry
(Adam Angyal Interview; FIGYELO, 5 Sep 85) 52

Long-Term Trade Agreement Signed With PRC
(MAGYAR KOZLONY, 11 Jul 85) 57

Establishment, Function of Trading Companies Discussed
(FIGYELO, 1 Aug 85)....................................... 60

Background of Debate 60
Round Table Discussion 62

POLAND

Party Organ Calls for Critical Debate on Improved Reform
(Editorial; NOWE DROGI, No 7, Jul 85) 67

Polish Debt Picture: Past, Present, Future
(Jacek Moscicki; ZYCIE GOSPODARCZE, 28 Jul 85) 69

ROMANIA

Reasons for 'Unsatisfactory' Agricultural Yields
(Ilie O. Popescu; REVISTA ECONOMICA, 13 Sep 85) 74

JPRS-EEI-85-082

24 October 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

BULGARIA

Water Shortage Problems Examined
(IKONOMICHESKI ZHIVOT, 14 Aug 85) 1

Water Supply Problems, Progress, by Blagoy Uzunov 1
Water Management in Blagoevgrad Okrug, by Lyuben Angelov 3

CZECHOSLOVAKIA

Five-Year Plan Coordination Central to CEMA Says Gorbachev
(HOSPODARSKE NOVINY, No 32, 1985) 6

Agricultural Development in 8th 5-Year Plan Announced
(ZEMEDELSKE NOVINY, 5 Sep 85) 10

Pitra Notes Opposition to Changes in Agriculture
(ROLNICKE NOVINY, 25 Sep 85) 29

Semiannual Communications Results Analyzed
(Pavel Barda; HOSPODARSKE NOVINY, No 37, 1985) 32

Cost Consciousness Said To Play Minimal Role in Industry
(Arnost Culik; HOSPODARSKE NOVINY, No 32, 1985) 36

Conferences Discuss District Shortcomings
(Prague Domestic Service, 27 Sep 85) 41

Briefs

Investigation Report Discussed 42
Production Shortcomings 42

HUNGARY

Professor Analyzes Needs, Problems of Economic Development
(Antal Stark; KOZGAZDASAGI SZEMLE, No 7-8, 1985) 43

Causes of Import, Export Ineffectiveness Examined
(Istvan Szegvari; FIGYELO, No 36, 5 Sep 85) 58

POLAND

PRAVDA Cited on Need for Economic Change
(ZYCIE WARSZAWY, 12-13 Jul 85) 64

New Long-Range Economic Forecasting Model Outlined
(Marek Garbicz, et al.; GOSPODARKA PLANOWA, No 1, Jan 85) 65

Policy Paper Draft on Revised Cost-Benefit Analysis Rules
(Albin Plocica, et al.; INWESTYCJE I BUDOWNICTWO, No 4-5, Apr-May 85) 71

Economics Journal Revises Editorial Policies
(GOSPODARKA PLANOWA, No 3, Mar 85) 75

Personnel Changes in Foreign Trade Sector
(RYNKI ZAGRANICZNE, various dates) 81

May Personnel Listing 81
June Personnel Update 82
July MHZ Personnel Changes 84
July Personnel Update Continued 84
August MHZ Personnel Update 85
August MHZ Listing Concluded 86

Metallurgical Engineers Seek Bigger Say in Running Industry
(Ryszard Zarzycki; PRZEGLAD TECHNICZNY, No 34, 25 Aug 85) 89

Agricultural Foundation Committee Visits Austria, USA
(TYGODNIK POWSZECHNY, No 29, 21 Jul 85) 92

Coal Mine Begins Production Early
(RZECZPOSPOLITA, 19 Jul 85) 94

Briefs

Polish-Soviet Plan Coordination 95
Chinese Agricultural Minister Visits 95
Polish-Soviet Machine Industry Cooperation 95
Polish-Spanish Trade 95
Transformer Station Completed 96

JPRS-EEI-85-083

28 October 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

CZECHOSLOVAKIA

Agricultural Intensification in 8th Five-Year Plan Discussed
(Julius Varga; HOSPODARSKE NOVINY, No 29, 1985)........... 1

Set of Measures Implementation 1981-1984 Evaluated
(Vaclav Filip; HOSPODARSKE NOVINY, No 35, 1985)........... 7

Energy Costs Will Increase Warns Minister
(Vlastimil Ehrenberger; HOSPODARSKE NOVINY, No 36, 1985).. 19

Transportation for First Six Months of 1985 Reviewed
(Vaclav Sysel; HOSPODARSKE NOVINY, No 36, 1985)........... 23

Sorbents Used in Purification Processes
(Vladimir Pizak; HALO SOBOTA, 27 Jul 85).................. 26

GERMAN DEMOCRATIC REPUBLIC

Cooperative Council Management for LPG's, State Farms Viewed
(KOOPERATION, No 8, 1985)................................. 29

POLAND

Soviet Economic Reform Efforts Reviewed
(RYNKI ZAGRANICZNE, 15 Aug 85; POLITYKA, No 34, 1985)..... 47

Positive Results in New Incentive System, by
Jozef Zielinski 47

Systemic Changes Since Andropov Overviewed, by
Jerzy Kleer 49

Trade With Third World Described, Assessed
(Michal Jaranowski; POLITYKA, No 27, 6 Jul 85)............ 54

Criticisms of Polonia Firms Critically Examined
(Bogda Zukowska; POLITYKA, No 27, 6 Jul 85)............... 58

Polonia Firms in Foreign Trade Picture
(ZYCIE GOSPODARCZE, 18 Aug 85)............................ 62

Black Market Price Trends
(ZYCIE GOSPODARCZE, 18 Aug 85)............................ 64

Polish-GDR Metallurgy Cooperation
(Eugeniusz Waszczuk; ZYCIE WARSZAWY, 17-18 Aug 85)........ 66

Briefs

Transshipment of Soviet Goods 68
Generating Plant Fire 68
Power Station Fire 68

YUGOSLAVIA

Long-Range Social Plan of Yugoslavia, 1986-2000
(SLUZBENI LIST SFRJ, No 39, 26 Jul 85).................... 69

JPRS-EEI-85-084

29 October 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

CZECHOSLOVAKIA

Daily Reviews Problems on CEMA Agenda
(PRAVDA, 26 Sep 85).. 1

Rohlicek Comments on CEMA Final Communique
(Bratislava Domestic Service, 26 Sep 85).................... 3

USSR's Abalkin on Economic Thinking
(Leonid Abalkin Interview; PRAVDA, 2 Oct 85)................ 4

Technology Experts Loath To Move to Robot Project
(PRAVDA, 27 Sep 85).. 8

Construction Workers for USSR
(VECERNI PRAHA, 23 Sep 85).................................. 9

Railroad Shortcomings, Problems Discussed
(Jan Gondol; PRAVDA, 27 Sep 85)............................ 10

Briefs
- Labor Discipline Discussed 12
- Power Stations 12
- Georgian Deputy Premier Received 12

POLAND

Warsaw Economists Society Conference on Five-Year Plan
(RZECZPOSPOLITA, 28-29 Sep 85)............................ 13

Finance Policy in 1986-1990
(ZYCIE GOSPODARCZE, No 35, 5 Sep 85)...................... 15

1984 Balance of Payments Statistics Published
(Maciej Takielski; RYNKI ZAGRANICZNE, No 110, 11 Sep 85)... 27

New Polish-Soviet Cooperation Plans in Engineering
(RZECZPOSPOLITA, 1 Oct 85).................................. 33

Inspection Board Faults Investments in Government Orders
(TRYBUNA LUDU, 11 Sep 85)................................... 35

New Training Plane Developed
(Janusz Dembinski; RZECZPOSPOLITA, 30 Sep 85).............. 36

Briefs
- Housing Council Members Selected 38
- Lenin Shipyard Annual Plan 38
- Angola Asks Poland To Build Shipyard 39
- Auto Industry Talks With Japan 39
- New Deals With GDR 39
- Electronics Contract With China 39
- Chinese Foreign Trade Exhibition 40

ROMANIA

Efforts To Improve Quality, Increase Supply of Consumer Goods
(Ioan Georgescu; REVISTA ECONOMICA, No 35, 30 Aug 85)....... 41

Measures To Utilize Danube Delta Resources
(Marin Nitu; REVISTA ECONOMICA, No 35, 30 Aug 85).......... 46

Development of Chemical Industry Reviewed
(Nicoleta Hornianschi; REVISTA ECONOMICA, No 33, 16 Aug 85). 51

Use of Contract System in Construction-Installation Sector
(Ion Strinu; REVISTA ECONOMICA, No 32, 9 Aug 85)............ 58

Achievements of Automobile Industry Reviewed
(Nicolae Matea; REVISTA ECONOMICA, No 35, 30 Aug 85)........ 64

Diversity, Quality of Tractors, Farm Machines
(Ilarie Munteanu; REVISTA ECONOMICA, No 32, 9 Aug 85)....... 69

Railroad Car Export Activity Examined
(Ioan Stefan; REVISTA ECONOMICA, No 32, 9 Aug 85)........... 74

YUGOSLAVIA

Slovene Meeting Discusses Economic Situation, Problems
(TANJUG Domestic Service, 24 Sep 85)........................ 80

Briefs

Yugoslav-Austrian Transportation 81
Kosovo Drought Damage 81
Agricultural Cooperation With Panama 81
Czechoslovak Chemical Plant 82
Australian Trade Deficit 82
Slovenia Unemployment 82
Turnover at Rijeka 82
Employment Figure Rises 82
Yugoslavs Working Abroad 83
Romanian Commodity Exchange 83
Price Increases 83
Economic Cooperation With YAR 84
Montenegro Assembly on Losses 84
Aviation Fuel Shortage 84
Vrhovec at Zagreb Fair 85
Footware for Soviet Market 85
Polish Trade 85

JPRS-EEI-85-085

4 November 1985

EAST EUROPE REPORT
ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

ALBANIA

Delays in Transporting of Coal From Mines Deplored
(Jorgo Zhonga; ZERI I POPULLIT, 16 Aug 85)................. 1

GERMAN DEMOCRATIC REPUBLIC

Preparing for Introduction of Industrial Robots
(Reinhard Buest; SOZIALISTISCHE ARBEITSWISSENSCHAFT, No 1, 1985)... 2

Industrial Research Potential of Trained Specialists Viewed
(Bruno Fehlauer; SOZIALISTISCHE ARBEITSWISSENSCHAFT, No 1, 1985)... 11

Key Role of Trained Managers in Combines, Commerce Cited
(DER HANDEL, No 1, 1985).. 19

Reprocessed Industrial Water Yields Valuable Substances
(Renate Ugg; WASSERWIRTSCHAFT/WASSERTECHNIK, No 5, Jul 85).. 22

Collective Farm Ownership Viewed as Stimulus for Productivity
(Hans Roetscher; KOOPERATION, No 6, 1985).................. 26

Labor Collectives' Role in Integrated Manufacturing Discussed
(Juergen Heyder; SOZIALISTISCHE ARBEITSWISSENSCHAFT, No 2, 1985)... 33

HUNGARY

Problem of Labor Force Stability Debated
(FIGYELO, 22 Aug 85)... 42

Large-Scale Industry's Viewpoint, by Istvan Veisse 42
Editor's Comments 45

Management Training Courses for Enterprise Council Members
(Gyula Paal Interview; OTLET, 22 Aug 85).................. 47

Laws Being Put on Computer for Nationwide Access
(MAGYAR HIRLAP, 4 Sep 85).................................. 50

Officials Air Views on Inflation
(FIGYELO, 5 Sep 85).. 52

Thrift Measures Fail To Achieve Goals
(Peter Vanicsek; MAGYAR HIRLAP, 27 Sep 85)................. 61

Problems Encountered in Leasing Activities Discussed
(Peter Kiraly; FIGYELO, No 3, 19 Sep 85)................... 65

Fate of Mismanaged Tokay Wines Studied
(Gyula Antalffy; ELET ES IRODALOM, 20 Sep 85).............. 68

Study Finds Per Capita Pollution Among Highest in Europe
(Erzsebet Juhasz; MAGYAR HIRLAP, 11 Sep 85)................ 75

POLAND

Finance Policy Plan for 1986-1990 Critiqued
(M. Misiak, J. Ostaszewski; ZYCIE GOSPODARCZE, 8 Sep 85.... 79

Warsaw Industrial Growth Potential Exhausted
(ZYCIE WARSZAWY, 21-22 Sep 85)............................. 85

Barcikowski Statements Reviewed as Political View of Problems
(ZYCIE GOSPODARCZE, 6 Oct 85).............................. 87

July Issue of Economics Society Journal Reviewed
(ZYCIE GOSPODARCZE, 15 Sep 85)............................. 89

Problems in Central Administration of Reform Noted
(RZECZPOSPOLITA, 15 Aug 85)................................ 91

Baka Calls for Attention to Financial Aspects of Reform
(Wladyslaw Baka; RZECZPOSPOLITA, 15 Aug 85)................ 94

Sejm Advisory Group Reviews Report on Reform Progress
(RZECZPOSPOLITA, 15 Aug 85)................................ 96

Lack of Political Patronage, Trade Sanctions Hurt Electronics
(Jaroslaw Swiderski Interview; ZYCIE WARSZAWY, 15 Jul 85).. 100

Mathematical Model Simulates Growth, Market Stabilization Scenarios
(Marcin Rybicki; ZYCIE GOSPODARCZE, 21 Jul 85)............ 105

Modernization Plans at Warsaw Steel Mill
(Janusz Dembinski; RZECZPOSPOLITA, 6 Sep 85)............... 112

ROMANIA

Ministries Established by Decree
(BULETINUL OFICIAL, No 37, 29 Jul 85)....................... 114

Decree on Ministry of Heavy Equipment Industry
(BULETINUL OFICIAL, No 37, 29 Jul 85)....................... 115

Decree on Ministry of Machine Building Industry
(BULETINUL OFICIAL, No 37, 29 Jul 85)....................... 123

Decree on Ministry of Electrical Engineering Industry
(BULETINUL OFICIAL, No 37, 29 Jul 85)....................... 131

Effort To Achieve Balanced Development of All Areas of Country
(Ioan Ianos; REVISTA ECONOMICA, No 36, 6 Sep 85)........... 139

Need To Ensure Adequate Water Resources for Irrigation
(Paul Stegaroiu; HIDROTEHNICA, No 8, Aug 85)............... 146

YUGOSLAVIA

Economist Discusses Farming Problems
(Dragan Veselinov Interview; DUGA, No 298, 28 Jul 85)...... 151

JPRS-EEI-85-086

7 November 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

CEMA Cooperation Shortcomings Described
(Bogda Zukowska; POLITYKA, 21 Sep 85, POLITYKA EKSPORT IMPORT, No 18, Sep 85).......... 1

Advantages of Joint Ventures for Romanians, Other Bloc Countries
(Ioan Popa; REVISTA ECONOMICA, No 33, 6 Aug 85).......... 6

BULGARIA

Activities, Achievements of Shipping, Shipbuilding Industry
(KORABOSTROENE/KORABOPLAVANE, VUNSHNA TURGOVIYA, various dates).......... 13

Shipbuilding Industry Output, by Dimitur Panchaliev 13
Interview With Director Minkov, M. Asadurov Interview 16
Ship Repair Industry Progress, by Vladimir Tsankov 19
Georgi Dimitrov Shipyards 22
Ivan Dimitrov Shipyards 23

Varna-Ilichovsk Ferry Operations Described
(Yordan Yordanov; NARODEN STRAZH, 4 Sep 85).......... 25

CZECHOSLOVAKIA

Daily on Contracts With Syria
(Miloslav Vltavsky; RUDE PRAVO, 8 Oct 85).......... 29

Party Economic Conferences Note Shortcomings
(Prague Domestic Service, 30 Sep 85).......... 31

Tu Official on Brigade Form of Work
(RUDE PRAVO, 1 Oct 85)...................................... 32

CSSR Fuels, Power Minister Visits Argentina
(DYN, 16 Oct 85).. 34

Engineers-Designers Complain About Unfair Wage System
(RUDE PRAVO, 14 Oct 85)..................................... 35

Federal Assembly Discusses Transport
(Marie Koenigova; RUDE PRAVO, 9 Oct 85)..................... 37

Expert on Start on Prague-Tokyo TV Transmissions
(Josef Weiser Interview; SMENA, 15 Oct 85).................. 42

Editorial Views Wasteful Use of Manpower
(Editorial; RUDE PRAVO, 3 Oct 85)........................... 44

Slovak Committee Discusses Shortcomings in Industries
(Bratislava Domestic Service, 24 Sep 85).................... 47

Pitra Speaks at Cooperative Farmers' Meeting in Prague
(Prague Domestic Service, 24 Sep 85)........................ 48

CSSR Atomic Energy Commission Discusses Research, Safety
(Prague Domestic Service, 10 Oct 85)........................ 49

Fojtik Attends Workers Conference in Southern Bohemia
(Prague Domestic Service, 24 Sep 85)........................ 50

Briefs

Colotka Visits Paper Mill 51
Technological Cooperation With USSR 51
Nuclear Plant Construction 51
Argentina-CSSR Economic Cooperation 52
Trucks for PRC 52
CSSR-U.S. Economic Talks 52
Harvest, Sowing Progress 52
Preliminary Czech Harvest Results 52
Cooperation With Netherlands 53
Atomic Energy Commission Visits CSSR 53

HUNGARY

Lowered Interest Rates Help Indebted Businesses
(Miklos Breitner; FIGYELO, 22 Aug 85)....................... 54

Tax Laws Defeat Investment Credits
(Katalin Bossanyi; NEPSZABADSAG, 23 Sep 85)................. 57

Support for Unprofitable Cooperatives Explained
(Pal Gulyas; NEPSZABADSAG, 12 Sep 85)....................... 59

Agricultural Subsidies to Promote Competitiveness
(Peter Medgyessy Interview; FIGYELO, 19 Sep 85)........... 63

Law on Dealing With Public Complaints Changed
(MAGYAR HIRLAP, 30 Aug 85)................................ 68

Causes of Inadequate Railroad Service Examined
(Ferenc Koszorus Interview; NEPSZAVA, 7 Sep 85)........... 69

POLAND

Vice-Minister on Wage Policy Plan 1986-1990
(Stanislawa Borkowska Interview; RZECZPOSPOLITA,
23 Aug 85).. 75

Turnkey Plant Export Potential Improved
(ZYCIE WARSZAWY, 10 Oct 85)............................... 78

Briefs
Trade Office in Iceland 80

ROMANIA

Improved Services To Population Planned
(Gheorghe Teodorascu; REVISTA ECONOMICA, No 38,
20 Sep 85).. 81

Role of Market in Planned Economy Examined
(Traian Lazar; REVISTA ECONOMICA, No 38, 20 Sep 85)....... 84

Economic Relations With West Germany Reviewed
(Harald Dotze Interview; REVISTA ECONOMICA, No 38,
20 Sep 85).. 90

Amended Decree on National Council of Water Management
(BULETINUL OFICIAL, Part I, No 42, 26 Aug 85)............. 93

Role of Geological Research in Developing Energy Base
(Iosif Bercia; ERA SOCIALISTA, No 16, 25 Aug 85).......... 111

Competitiveness of Mining, Petroleum Equipment Exports
(Lica Milescu; ERA SOCIALISTA, No 16, 25 Aug 85).......... 119

YUGOSLAVIA

Nikolovski on Foreign Exchange Issues
(Vanco Nikolovski Interview; NEDELJNE INFORMATIVNE NOVINE,
No 1797, 9 Jun 85).. 124

JPRS-EEI-85-087

11 November 1985

Reference Aid

CZECHOSLOVAK ECONOMIC GLOSSARY

FBIS FOREIGN BROADCAST INFORMATION SERVICE

JPRS-EEI-85-088

15 November 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

Hungary's Place in International Division of Labor Discussed (Peter Veress; KOZGAZDASAGI SZEMLE, No 7-8, Aug 85)....... 1

Bloc Mulls Uniform Rules for Heavy, Oversized Load Shipping (Chrystian Wojcik; MOTORYZACJA, No 6, Jun 85)............ 17

BULGARIA

Frank, Meaningful Accountability-Election Meetings Urged (Editorial; RABOTNICHESKO DELO, 2 Oct 85)................ 20

Measures To Improve Efficiency of Construction Industry (STROITEL, 24, 30 Jul 85).................................. 24

  - New Approach to Construction 24
  - Angelov on Engineering Plan, by Lyudmil Angelov 27
  - Engineering Plan Stipulations 32
  - Application of Scientific Achievements, by Iliya Ignatov 40
  - Construction Deputy Minister's Speech, by Lyudmil Angelov 42

CZECHOSLOVAKIA

Crucial Tie of Economic Growth to Intensification Discussed (Kamil Janacek, Jan Klacek; HOSPODARSKE NOVINY, No 34, 1985).. 53

Transportation Situation Examined (HOSPODARSKE NOVINY, No 39, 1985)......................... 62

  - Transportation in Field of View, by Antonin Psenicka 62
  - Automobile Freight Transportation Weakness, by Miroslav Stepanek, Vladimir Urvalek 67

HUNGARY

Situation, Development of Economy Examined
(Andras Vertes; HETI VILAGGAZDASAG, No 37, 14 Sep 85)..... 74

Trade With Indonesia Described
(FIGYELO, No 38, 19 Sep 85)................................ 79

YUGOSLAVIA

Changes, Additions to 1985 Federal Budget
(SLUZBENI LIST SFRJ, No 53, 4 Oct 85)..................... 82

Nine-Month Trade Results; Costs of Energy, Equipment
(Milorad Urosevic; PRIVREDNI PREGLED, 9 Oct 85)........... 90

Republic Results in Convertible, Clearing Trade
(Milorad Urosevic; PRIVREDNI PREGLED, 10 Oct 85).......... 92

Statistical Data on Private Farming, 1957-1981
(Sava Ilic; GLASNIK POLJOPRIVREDNE PROIZVODNJE, PRERADE
I PLASMANA, No 6, Jun 85)................................. 94

JPRS-EEI-85-089

18 November 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

Rational Resource Utilization CEMA Strategy to Year 2000
(Otta Henys; HOSPODARSKE NOVINY, No 34, 1985) 1

Comprehensive R&D Program of CEMA Countries Discussed
(Zdenek Homolka; HOSPODARSKE NOVINY, No 37, 1985) 6

ALBANIA

Deficiencies in Study, Design Work for Mines
(BASHKIMI, 1 Aug 85) 11

BULGARIA

Plan To Increase Output from Irrigated Areas Outlined
(Aleksandur Ivanov; POLITICHESKA AGITATSIYA, No 16, Aug 85) 13

Editorial Dwells on Special Aid to Farmers
(Georgi Avramov; KOOPERATIVNO SELO, 18 Sep 85) 18

Unsanitary Conditions in Baby Food Plant Decried
(Angol Dimitrov; OTECHESTVO, No 16, 1985) 20

CZECHOSLOVAKIA

July 1985 Economic Results Summarized
(Marie Hormannova, Alena Polakova; HOSPODARSKE NOVINY, No 35, 1985) 22

GERMAN DEMOCRATIC REPUBLIC

Relative Effect of Automation on Labor Productivity Assessed
(SOZIALISTISCHE ARBEITSWISSENSCHAFT, No 1, 1985) 26

Socialized Labor Promotes Industrial Economic Performance
(Hans-Joachim Braun, Erhard Doerschel; WIRTSCHAFTSWISSENSCHAFT, No 5, May 85) 35

Business Computer Aids Forestry Planning for Next 5-Year Plan
(W. Binder; SOZIALISTISCHE FORSTWIRTSCHAFT, No 7, 1985.. 54

Forestry Cost Accounting Revised for Impending 5-Year Plan
(R. Luther; SOZIALISTISCHE FORSTWIRTSCHAFT, No 7, 1985 . 58

VEB Outlines Timber Industry Agenda for Upcoming 5-Year Plan
(R. Barth, et al.; SOZIALISTISCHE FORSTWIRTSCHAFT, No 7, 1985 64

New Electronic Ground Facilities for Civilian Air Transport
(Reinhard Koellner; INFORMATION DER ZIVILEN LUFTFAHRT, No 5, 1985) 70

Brown Coal Production, Refinement Emphasized
(Horst Wambutt; EINHEIT, No 8, Aug 85) 80

HUNGARY

Solution to Unsatisfactory Supply Industry Sought
(FIGYELO, No 30, 25 Jul 85) 89

Quality of Metallurgical Parts Faulted
(Maria Demcsak; FIGYELO, No 30, 25 Jul 85) 93

Tensions in Supply of Electronic Parts Persist
(FIGYELO, No 30, 25 Jul 85) 95

Multidisciplinary Training of Economists Proposed
(Csaba Csaki Interview; FIGYELO, No 38, 19 Sep 85) 97

Debates on Income From Farm Auxiliary Work Continue
(Peter Felix; HETIVILAGGAZDASAG, No 37, 14 Sep 85) 103

POLAND

Obodowski Speaks at Regional Conference
(Janusz Obodowski; TRYBUNA LUDU, 4 Oct 85) 108

Briefs
Motorway Stretch Completed 109

JPRS-EEI-85-090

21 November 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

Bulgaria's Foreign Trade Expands Vigorously (IKONOMICHESKI ZHIVOT, 4 Sep 85) 1

General Survey of Foreign Trade, by Tsvyatko Lilkin 1
Soviet Trade Representative's Comments 3

Energy Problem in Socialist Countries Examined (Svetlin Stanev; NOVO VREME, No 8, 1985) 7

ALBANIA

Shortfalls in Plan Fulfillment in Mines, Other Areas (ZERI I POPULLIT, 17 Aug 85) 19

BULGARIA

Report on East-West Economic Forum Held in Varna (RABOTNICHESKO DELO, 29, 30 Sep 85) 21

Opening Session 21
Second Day, by Sergey Nakov, Leon Adzheman 24

Application of Scientific Achievements Urged (Editorial; RABOTNICHESKO DELO, 30 Sep 85) 28

Deterioration of National Economy Examined (Waltraud Baryli; LE MONDE, 22 Oct 85) 32

CZECHOSLOVAKIA

Prague Reports Meeting of Slovak National Council (Prague Domestic Service, 24 Oct 85) 35

Expansion of Private Services in Bratislava (VECERNIK, 22 Oct 85) 37

Differentiated Credit Structure for Enterprises Discussed
(Miroslav Zamecnik; HOSPODARSKE NOVINY, No 35, 1985) 38

Procurement Problems in Health Instruments, Materials Viewed
(Zdenka Ruzickova, Ladislav Prusa; HOSPODARSKE NOVINY, No 35, 1985) 42

R&D Improvements Subject to Discussion
(PLANOVANE HOSPODARSTVI, No 6, 1985) 48

More Effective R&D Management Urged, by Ladislav Riha 48
8th Five-Year Plan R&D Planning Methodology, by Eugen Liska 61

Concentrate on Exports Urges Minister of General Engineering
(Pavol Bahyl; HOSPODARSKE NOVINY, No 32, 1985) 69

Economic Mechanism for Intensive Development Viewed
(Miroslav Toms; HOSPODARSKE NOVINY, No 32, 1985) 77

Efficiency of State Farm Agricultural Assets Discussed
(Jiri Rehak; KONTROLA, No 6, 1985) 82

Agricultural Results Summarized
(Zdenek Hoffmann; HOSPODARSKE NOVINY, No 40, 1985) 94

Briefs
CSSR-GDR Trade Agreement Signed 97

GERMAN DEMOCRATIC REPUBLIC

Measures Taken To Halt Deterioration in Prefabricated Housing
(Inge Kohl; BAUZEITUNG, No 9, Sep 85) 98

HUNGARY

Problems, Development of Coal Industry Weighed
(FIGYELO, No 38, 19 Sep 85) 108

Long, Deep Look, by Istvan Garamvolgyi 108
Mining Regulations, Subsidies 112
Consumption Patterns Analyzed 114

POLAND

Problems Raised in Meetings of Sejm Commission on Foreign Trade
(Bogda Zukowska; RYNKI ZAGRANICZNE, No 119, 3 Oct 85) 116

Domestic Banks Defend Credit Limitations
(Halina Jaszczyk; BANK I KREDYT, No 2, Feb 85) 120

Personnel Changes in Foreign Trade Sector
(RYNKI ZAGRANICZNE, No 119, 28 Sep 85) 124

Enterprise Managers Polled on Reform
(Pawel Karpinski; RZECZPOSPOLITA, 19 Sep 85) 126

Report on Status of Chinese Economic Reforms
(RYNKI ZAGRANICZNE, No 119, 3 Oct 85) 131

Soviet Imports Aid Consumer Durables Market
(RZECZPOSPOLITA, 6 Aug 85) 133

Transportation Industry Subsidies Explained, Defended
(Romuald Bauer, Janusz Ostaszewski; PRZEGLAD KOMUNIKACYJNY, No 3, Mar 85) 135

Coal Production Progress Report: July 1985
(ZYCIE WARSZAWY, 1 Aug 85) 144

Briefs

Polish-GDR Arbitration Talks 146
Chinese Co-op Visitors 146
Polish, Soviet Planners Meet 146

YUGOSLAVIA

SFRY-EFTA Committee Issues Statement on Trade
(BORBA, 9 Oct 85) 147

Country To Be Self-Sufficient in Iron Ore
(TANJUG, 23 Oct 85) 148

Briefs

First Teachers' Strikes 149
Oil Imports 149
Electric Power Outlook 149
Power Production, Consumption 150
Lower Agricultural Production 150
Tobacco, Cigarette Exports 151
Yugoslav-Albanian Railway 151
Talks With EFTA Conclude 151
Italian-Designed Automobile Production 151
New Carbon Dioxide Factory 151
Iskra on Soviet Market 152

JPRS-EEI-85-091

27 November 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

ALBANIA

Excess Consumption of Materials Deplored
(ZERI I POPULLIT, 7 Aug 85)................................ 1

CZECHOSLOVAKIA

Obzina Article on Development Focus Cited
(CTK, 12 Nov 85).. 4

Indiscipline in Agricultural Sector Criticized
(PRAVDA, 17 Oct 85)... 5

Current Wage Problems Examined
(Bratislava Domestic Service, 8 Nov 85).................... 7

Dismissal of Incompetent Managers Reported
(Vaclav Pergl; RUDE PRAVO, 18 Oct 85)...................... 8

Citizen Complaints About Vandalism, Shortages Aired
(ZEMEDELSKE NOVINY, 21 Oct 85)............................. 10

Dam Project Construction Site Inspected
(Ladislav Mikus; Bratislava Domestic Service, 29 Oct 85).. 12

Briefs

Shortcomings Noted in Bakery Goods Production 13
Energy Commission Views Performance, Preparations 13
Economic Talks Begin in Buenos Aires 14
Lenart in Liptovsky Mikulas 14
Shortcomings in Liquid Gas Containers 14
Lenart Addresses Economic Seminar 14
Iraqi Oil Talks 15
Surplus Inventory on Sale 15

GERMAN DEMOCRATIC REPUBLIC

Nuclear Heating Stations; Prospects for Expanded Use Studied
(Alfred Langner; ENERGIETECHNIK, Vol 35, No 3, Mar 85).... 16

POLAND

Planning Commission Task Force Works On Changes in Economy
(RZECZPOSPOLITA, 22 Oct 85)................................ 51

New Organizational Pattern for Foreign Trade
(RZECZPOSPOLITA, REFORMS GOSPODARCZA, No 61, 19 Sep 85)... 52

Baka Maintains Reform To Enter New Stage
(RZECZPOSPOLITA, 9 Oct 85)................................. 58

Five Hundred Top Manufacturing Enterprises Ranked
(ZARZADZANIE, No 6, Jun 85)................................ 60

Shipping, Shipbuilding, Sea Transport, Fishing Statistics 1983-1984
(Czeslaw Wojewodka; SEEWIRTSCHAFT, No 9, Sep 85).......... 75

Briefs
- Polish-Mongolian Cooperation 88
- FSO-Renault Negotiations 88
- Polish-British Economic Talks 88

YUGOSLAVIA

Editorial Discusses Increased Budget, Taxes, Inflation
(Editorial; EKONOMSKA POLITIKA, 23 Sep 85)................ 89

Croatian Official Discusses LCY Document on Personal Earnings
(Andjelko Jukic Interview; DANAS, 1 Oct 85)............... 92

Andov Discusses New Concept of Personal Earnings
(Stojan Andov; KOMUNIST, 11 Oct 85)....................... 100

Briefs
- Private Shops in Serbia 107
- Agro-Industrial Foreign Trade 107
- Monthly Expenses of Population 108
- Defective Goods Returned 108

JPRS-EEI-85-092

9 December 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

CEMA Raw Material and Energy Program Viewed
(Alena Nesporova; HOSPODARSKE NOVINY, No 40, 1985) 1

BULGARIA

Minister Outlines Serious Problems in Chemical Industry
(Georgi Pankiv Interview; POGLED, 23 Sep 85) 10

Problems at Maritsa-Iztok Thermoelectric Station Outlined
(Stanislav Kolev; RABOTNICHESKO DELO, 18 Oct 85) 18

CZECHOSLOVAKIA

August 1985 Economic Results Summarized
(Marie Hormannova, Alena Polakova; HOSPODARSKE NOVINY, No 39, 1985) 20

Adjusted Value Added Indicator Evaluated
(Jitka Vanova; HOSPODARSKE NOVINY, No 36, 1985) 24

Increasing Energy Consumption Criticized
(Miroslav Farsky, Pavel Pesek; HOSPODARSKE NOVINY, No 39, 1985) 28

GERMAN DEMOCRATIC REPUBLIC

Biotechnology: Potential Effect on National Economy Viewed
(WIRTSCHAFTSWISSENSCHAFT, No 7, Jul 85; SPEKTRUM, No 7, Jul 85) 35

Resource Allocation Advised, by Peter Handke 35
Agricultural Application Stressed, by Manfred Ringpfeil 51

HUNGARY

How To Achieve Successful Economic Management
(Antal Stark; MAGYAR NEMZET, 1 Oct 85) 59

New Regulators Spell Austerity, Compromise
(NEPSZABADSAG, 29 Oct 85) 62

Editorial Attempts To Lessen Shock of New Regulators
(Laszlo Karcagi; NEPSZABADSAG, 4 Nov 85) 65

Wage Regulations Fail as Production Incentive
(Csaba Vertes; FIGYELO, No 44, 31 Oct 85) 70

Backwardness, Lack of Skilled Workers in Machine Industry
(Sandor Gyori; NEPSZABADSAG, 3 Oct 85) 75

Shortcomings, Inefficiency in Coal Production Discussed
(Erno Ban; NEPSZAVA, various dates) 78

POLAND

Deputy Critical of System of Economic Administration
(Alojz Melich; ZYCIE WARSZAWY, 24-25 Aug 85) 88

Computer Exports to CEMA Nations
(RZECZPOSPOLITA, 21 Aug 85) 89

Land Use Management Council Formed
(RZECZPOSPOLITA, 1 Oct 85) 91

Leather Industry Suffers Hard Currency Deficit
(RZECZPOSPOLITA, 22 Aug 35) 92

Farming and Food Industry Institute Director on Reform
(Augustyn Wos Interview; RZECZPOSPOLITA, 27 Sep 85) 94

Coal Transport Picks Up
(RZECZPOSPOLITA, 25 Sep 85) 97

Coal Transport Problems Continue
(ZYCIE WARSZAWY, 27 Sep 85) 99

Briefs

Power Station Accident Repairs 100
New Tariffs Chief 100
Rail Transit Decreases 100
Firewood Offered as Fuel 101
New Energetics Enterprise 101
Trade Talks With Iceland 101
Construction Talks With Austria 101
Austrian Port Transit Talks 102
Agricultural Talks With Austria 102

ROMANIA

Comments on Unsuccessful Agricultural Policies
(Oprea Parpala; REVISTA ECONOMICA, No 32, 33,
9, 16 Aug 85) 103

Efforts To Improve Naval Transportation
(Constantin Alexandrescu; REVISTA ECONOMICA, No 37,
13 Sep 85) 112

Consulting Engineering Development, Activity Described
(Emil Spirea; REVISTA TRANSPORTURILOR SI
TELECOMUNICATIILOR, No 4, 1985) 116

Utilization of Secondary Energy Sources Planned
(Gheorghe Manea; REVISTA ECONOMICA, No 39, 27 Sep 85) ... 125

Qualitative, Structural Modifications in Automobile Production
(Petru Mogos; REVISTA ECONOMICA, No 39, 27 Sep 85) 130

YUGOSLAVIA

Assembly Delegation Discusses Debts, Trade in U.S.
(POLITIKA, 17 Oct 85) 135

Western States Seek To Legalize 'Unlawful' GATT Restrictions
(TANJUG, 31 Oct 85) 136

Debt Situation Outlined by Kovacevic
(TANJUG Domestic Service, 5 Nov 85) 138

Briefs
Austria Reschedules Yugoslav Debt 139

JPRS-EEI-85-093

10 December 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

BULGARIA

Reports on Cooperation, Expansion of Foreign Trade
(SOFIA NEWS, 30 Oct 85) 1

Advantages of CEMA, USSR Ties 1
Cooperation With FRG, by Ralitsa Abrasheva 2
Contact With SPRY Firm 2
French Joint Company 3
Cooperation With U.S. Company 3

General Subev, Rear Commander, Urges Economy of Resources
(Stoyan Subev; NARODNA ARMIYA, 8 Oct 85) 4

Minister Dwells on Development of Metallurgical Industry
(Toncho Chakurov; POLITICHESKA AGITATSIYA, No 19, 1985) 8

Research Activities at Pharmaceutical Chemistry Institute
(Veselka Marinova; POLITICHESKA AGITATSIYA, No 19, 1985) 14

Technological Achievements at Plovdiv Fair Described
(Tamara Burlakova, Ivan Bogdanov; IKONOMICHESKI ZHIVOT, 2 Oct 85) 19

Measures To Increase Agricultural Production Outlined
(Dimitur Dimitrov; IKONOMICHESKI ZHIVOT, 2 Oct 85) 24

Measures To Save Livestock From Starvation Outlined
(Velichko Manchev; IKONOMICHESKI ZHIVOT, 2 Oct 85) 27

GERMAN DEMOCRATIC REPUBLIC

SED Economic Exploitation of Citizenry Described
(DER SPIEGEL, No 41, 7 Oct 85) 30

Autumn Leipzig Fair Reviews Chemical Industry Achievements
(LEIPZIGER VOLKSZEITUNG, 2 Sep 85) 37

Cost of Power Plant Emissions Control Technology Assessed
(WIRTSCHAFTSWOCHE, No 8, 15 Feb 85) 41

Effect of Indigenous Raw Materials on Production Structure
(Klaus Steinitz; WIRTSCHAFTSWISSENSCHAFT, No 8, Aug 85) 46

New Management Principles Established for Forestry Industry
(J. Piesnack; SOZIALISTISCHE FORSTWIRTSCHAFT, No 8, 1985) 64

Prospects Viewed for Applying Microelectronics in Forestry
(W. Perlwitz; SOZIALISTISCHE FORSTWIRTSCHAFT, No 8, 1985) 72

HUNGARY

Structural Changes in Banking System Viewed
(Peter Szirmai; OTLET, No 40, 3 Oct 85) 80

POLAND

Social Attitudes Assessed as Harmful to Reform
(Stanislaw Jablonski; PRZEGLAD TECHNICZNY, 13 Oct 85) ... 83

Foreign Businessmen on Poznan Agricultural Fair
(RZECZPOSPOLITA, 29 Oct 85) 86

Power Needs May Not Be Met
(ZYCIE WARSZAWY, 30 Oct 85) 87

Electrical Engineering Company Exports Grow
(ZYCIE WARSZAWY, 5 Nov 85) 88

CC Mining Commission Meets
(Stanislaw Zielinski; TRYBUNA LUDU, 25 Oct 85) 90

Mining, Energy Sector Performance Jan-Oct 85
(RZECZPOSPOLITA, 4 Nov 85) 92

Ship Repair Yard Modernization
(ZYCIE WARSZAWY, 4 Nov 85) 94

Briefs
New Sulphur Mine Construction 96
Polish-Irish Trade Relations 96

YUGOSLAVIA

Superinflation Blamed on Interest-Related Accounting
(Borisav Jovic Interview; NEDELJNE INFORMATIVNE NOVINE,
No 1802, 14 Jul 85) 97

Yugoslav Work on 'Kuban' Agricultural Combine in USSR
(EKONOMSKA POLITIKA, 29 Jul 85) 102

Briefs

Yugoslav Corn Exports to USSR 104
Yugoslav Rail Car Import From USSR 104

JPRS-EEI-85-094

12 December 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

CEMA Cooperative Arrangements Outlined
(Klaus Stubenrauch; PRESSE-INFORMATIONEN, No 117, 9 Oct 85).. 1

CZECHOSLOVAKIA

Engineering, Electrical Industry to 1990 Viewed
(Josef Voracek; PLANOVANE HOSPODARSTVI, No 6, 1985)....... 3

GERMAN DEMOCRATIC REPUBLIC

Commodity Price Structure Reflects Agricultural Price Reform
(Klaus Ahrends, Erika Czwing; INTERNATIONALE ZEITSCHRIFT DER LANDWIRTSCHAFT, No 3, Jun 85)......................... 12

Fossil Fuel Refining, Carbide Product Increase Detailed
(Werner Gliem, Ulrich Hinkelmann; STANDARDISIERUNG UND QUALITAET, Vol 31, No 3, Apr 85)......................... 21

Increased Lignite Refining, Coal Gasification Detailed
(ENERGIETECHNIK, Vol 35, No 5, May 85).................... 26

Combine Outlines Goals, by Herbert Richter 26
Coke, Gas Produced, by Werner Hauptmann, et. al. 29

Official Cites Role of Ceramics in Construction Industry
(Karl Gruenheid; SILIKATTECHNIK, Vol 36, No 6, 1985)...... 41

Plastics Production Increased Through Recycling Process
(Heinz Bach; URANIA, Vol 61, No 9, Sep 85)................ 46

HUNGARY

Law on Execution of 1984 Budget Published
(MAGYAR KOZLONY, No 41, 23 Oct 85)........................ 53

New Cooperative Law Should Provide Greater Freedom
(Jozsef Bak, Tamas Prugberger; FIGYELO, No 38,
19 Sep 85).. 56

Debate on Flow of Industrial Manpower Continues
(Donat Bonifert; FIGYELO, No 38, 19 Sep 85)............... 61

Wage Regulations in Domestic Trade Explained
(Ibolya Erdodi Bartok; FIGYELO, No 42, 17 Oct 85)........ 65

Defective Products Costly to Consumers
(Ferenc Cserny Interview; OTLET, No 39, 26 Sep 85)........ 68

Need To Limit Price Increases Foreseen
(Jozsef Lakatos Interview; FIGYELO, No 39, 26 Sep 85)..... 72

Investments With USSR Cooperation Viewed
(Istvan Gabor Benedek; NEPSZABADSAG, 18 Oct 85)........... 75

National Grain, Livestock Programs Reviewed
(MAGYAR IFJUSAG, No 42, 18 Oct 85)........................ 79

POLAND

Economic Function of Peoples' Councils Evaluated
(TRYBUNA LUDU, 4 Oct 85).................................. 82

Report on Fulfillment of Government Orders 1984
(RZECZPOSPOLITA, 2 Oct 85)................................ 83

Operational Programs in First Half 1985
(ZYCIE GOSPODARCZE, No 42, 20 Oct 85)..................... 85

Scope of Worker Partnerships Expands
(ZYCIE WARSZAWY, 11 Oct 85)............................... 87

Briefs

Aircraft Industry 89
Chinese Reform Delegation Visit 89

ROMANIA

Successes, Shortfalls in Developing Forces of Production
(Marin Popescu; ERA SOCIALISTA, No 17, 15 Sep 85)......... 90

Scope, Importance of New Agrarian Revolution
(Oprea Parpala; ERA SOCIALISTA, No 17, 15 Sep 85)......... 99

YUGOSLAVIA

Export Outlook for 1986; New Measures Needed
(S. Zdravkovic; PRIVREDNI PREGLED, 11 Sep 85)............ 107

Ljubljana Professor Discusses Yugoslav Technological Lag
(Janez Jerovsek Interview; INTERVJU, 27 Sep 85).......... 110

Belgrade Plant Technology to USSR
(PRIVREDNI PREGLED, 18 Oct 85)........................... 119

Gligorov Deplores Failure To Implement Economic Reforms
(Kiro Gligorov Interview; EKONOMSKA POLITIKA, 14 Oct 85).. 120

Systemic Mistakes Blamed for Rising Unemployment
(Vladimir Karakasevic; EKONOMSKA POLITIKA, 21 Oct 85)..... 131

Yugoslav Trucking Enterprise Contracts With USSR, Near East
(R. Krcunovic; PRIVREDNI PREGLED, 25 Oct 85)............. 136

Corn Harvest, Prices, Export, Storage Problems Discussed
(Vlastimir Popovic; PRIVREDNI PREGLED, 24 Oct 85)......... 138

Briefs

Trainees Hired 141
Bosnian Export Support 141
Agricultural Production, Exports, Needs 141
Wheat Planting 142

JPRS-EEI-85-095

17 December 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

BULGARIA

Internal Affairs Official Stresses Discipline, Competence
(Nikola Lalchev; NARODEN STRAZH, 25 Sep 85) 1

Editorial Calls for Higher Discipline in Army
(NARODNA ARMIYA, 25 Sep 85) 4

Todorov in PRC, Economic Cooperation Discussed
(BTA, 7 Nov 85) 6

Military Medical Institute Celebrates Anniversary
(Evgeni Genov; NARODNA ARMIYA, 26 Sep 85) 7

Comprehensive Efforts, Incentives Support Livestock Farms
(Various sources, 19 Sep 85) 9

Energy Minister of Rural Power Problems, Nikola Todoriev Interview 9
Incentives for Private Animal Husbandry 13
Livestock Raising Benefits Described, by Vladimir Ivanov 15

Briefs

PRC-Bulgaria Cooperation Protocol 17

GERMAN DEMOCRATIC REPUBLIC

Grain Yield Increased Through Effective Sprinkler Irrigation
(H.-G. Stock, et al.; FELDWIRTSCHAFT, No 6, Jun 85) 18

Low-Cost Feed Straw Promotes Efficient Use of Fodder Reserves
(U. Mueller, et al.; FELDWIRTSCHAFT, No 6, Jun 85) 22

HUNGARY

Aim of Earnings 'Ceiling' Tax Clarified
(FIGYELO, 14 Nov 85) 27

Enterprise Freedom Without Money Questioned
(MAGYAR IFJUSAG, various dates) 29

Enterprises Strapped for Cash, by Lajos Gubcsi 29
Freedom Illusory, Marton Poka Interview 35
Regulators Termed More Flexible, Peter Toth Interview 39
Financial Regulations Encourage Decentralization,
Gabor Barcza Interview 43

POLAND

Planning Official on Cooperation Protocol With USSR
(Various sources, various dates) 47

Industrial Cooperation, Joint Ventures 47
Cooperation and Balance of Trade,
Franciszek Kubiczek Interview 50

National Economic Performance Jan-Sep 85
(Marek Misiak; ZYCIE GOSPODARCZE, 27 Nov 85) 53

Workers Set Up Own, Union-Backed Scrap Metal Recycling Venture
(Leszek Konarski; PRZEGLAD TYGODNIOWY, 13 Oct 85) 61

Corporation Director Assesses Reform Effects
(Henryk Miszkiewicz Interview; ZYCIE WARSZAWY, 18 Oct 85) 65

Iron-Steel Industry Modernization Program
(Andrzej Zmuda; ZYCIE WARSZAWY, 22 Oct 85) 70

Meat Production, Supply Picture Detailed
(Ewa Fiala; TRYBUNA LUDU, 28 Oct 85) 74

JPRS-EEI-85-096

23 December 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

CEMA Seeks Standardized CAM/CAD, Industrial Robot Technology
(Waldemar Scheer, et al.; STANDARDISIERUNG UND QUALITAET,
No 5, Jul 85) 1

Autumn Leipzig Fair Cites CEMA Cooperation, Specialization
(LEIPZIGER VOLKSZEITUNG, 3 Sep 85) 6

GDR, CEMA Cooperate in Producing Industrial Consumer Goods
(Jutta Lange; DER HANDEL, No 3, 1985) 8

Social Aspects of East Bloc Computer Technology Analyzed
(Klaus Haefner; TECHNISCHE RUNDSCHAU, No 29, 16 Jul 85) 15

CSSR-USSR Scientific Cooperation Claimed a Success
(Pavla Hlouskova, Marie Vackova; SVET HOSPODARSTVI,
17 Oct 85) 22

East-West Trade Deals
(POLITYKA, No 36, 7 Sep 85) 26

Yugoslav Beer to U.S. 26
India Trades Ore for Fertilizer 26
French Steel for USSR Gasoline 26
Hungary-FRG Mercedes Truck Repair 26
Yugoslav Furniture to Italy 27
British Cameras to USSR 27
DPRK-Japan Stores Cooperate 27
Australian Iron to Romania 27

East-West Trade
(RYNKI ZAGRANICZNE, No 106, 3 Sep 85) 29

Hungarian, FRG Slaughterhouses Combine 29
Finland Gets Soviet Book Order 29

Belgian Metal Cutters to SFRY 29
Hungary, FRG Fabric Technology 29
Bulgarian Laboratory for U.K. 30
Czechoslovakia-Holland on TV Sets 30
Yugoslavia-Sweden Transportation Exchange 30
Austria Renovates USSR Paper Mills 30

Yugoslav-China Commodity Trade Lists for 1984-1986
(SLUZBENI LIST SFRJ, No 11, 12 Aug 85) 31

Yugoslav-Bulgarian Trade Lists for 1983
(SLUZBENI LIST SFRJ, No 11, 12 Aug 85) 36

BULGARIA

Remedial Measures to Serious Economic Problems Outlined
(Ivan Angelov; TRUD, 20 Sep 85) 43

CZECHOSLOVAKIA

Third Quarter 1985 Economic Results Summarized
(Vaclav Jezdik; HOSPODARSKE NOVINY, No 43, 1985) 52

Attitude of Treating Wages as Social Security Criticized
(Eduard Podzemny; HOSPODARSKE NOVINY, No 41, 1985) 56

Relation of Khozraschet and Investments Viewed
(Miroslav Galik; HOSPODARSKE NOVINY, No 41, 1985) 61

Effect of Pricing Policy on Export Viewed
(Stanislav Hejduk; HOSPODARSKE NOVINY, No 36, 1985) 65

GERMAN DEMOCRATIC REPUBLIC

More Effective Management of 1985 Fodder Reserves Desired
(PRESSE-INFORMATIONEN, No 102, 3 Sep 85) 74

Current Farm Costs To Be Off-Set by 1986 Commodity Price Hike
(DEUTSCHE BAUERNZEITUNG, No 33, 16 Aug 85) 77

Crop, Livestock Producers To Share Workload, Responsibilities
(KOOPERATION, No 4, 1985) 81

Economists Debate Course of Modernization, Production Cycle
(Rudolf Eilenberger; WIRTSCHAFTSWISSENSCHAFT, No 5, May 85) 90

New Phase of Transportation Planning Outlined
(Otto Arndt; DDR-VERKEHR, No 10, Oct 85) 112

Increases Forecast in Container Transport Capabilities
(NEUES DEUTSCHLAND, 30 Oct 85) 123

HUNGARY

Future Utilization of Natural Gas Viewed
(HETI VILAGGAZDASAG, No 39, 28 Sep 85) 125

Shortcomings in Railway Service Examined
(Rezso Bajusz Interview; HETI VILAGGAZDASAG, No 41,
12 Oct 85) 127

POLAND

Progress of Reform in Agriculture Evaluated
(Zdzislaw Sadowski Interview; DZIENNIK LUDOWY, 1 Oct 85) 130

High-Grade Winter Wheat Varieties Described
(Jadwiga Wasowska; CHLOPSKA DROGA, 18 Aug 85) 134

JPRS-EEI-85-097

28 December 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

GDR Combines' Dependence on CEMA Coordinated Research Cited
(Horst Andermann et. al.; WIRTSCHAFTSWISSENSCHAFT, Vol 33, No 8, Aug 85).. 1

CEMA Price-Formation Statistically Compared to World Prices
(Jozef M. van Brabant; OSTEUROPA WIRTSCHAFT, Vol 30, No 3, Sep 85).. 22

ALBANIA

Increased Use of Coal as Energy Source Urged
(BASHKIMI, 28 Sep 85).................................... 39

CZECHOSLOVAKIA

CSSR Searching for Sources of Oil
(Stanislav Karas; SVET HOSPODARSTVI, 1 Oct 85)............ 42

GERMAN DEMOCRATIC REPUBLIC

Restructuring of Transportation Law Outlined
(Heinz Oschlies, Rudolf Dietrich; ZEITSCHRIFT DER OSSHD, Vol 28, No 3, 1985)....................................... 45

Briefs
New Container Ship 58

POLAND

Szalajda Views Economic Ties With Austria
(Zbigniew Szalajda Interview; RZECZPOSPOLITA, 21 Nov 85).. 59

Prime Minister, Bank President on Sejm Budget Debates
(Stanislaw Nieckarz, Wladyslaw Baka; Warsaw Domestic Service, 27 Nov 85).. 61

CHLOPSKA DROGA Editor Discusses Goals, Duties
(Mieczyslaw Rog-Swiostek Interview; PERSPEKTYWY, No 42, 18 Oct 85).. 63

Spokesman Outlines 'Constantly Improving' Standards
(Adam Dunalewicz Interview; GAZETA LUBUSKA, 4 Nov 85)..... 68

Prices Reviewed From Consumer's Viewpoint
(AFP, 18 Nov 85).. 70

YUGOSLAVIA

Criticism of Role of Interest Communities Continues
(BORBA, 18 Oct 85)...................................... 72

Enterprise Head Notes Useless Systemic Methods, Urges Reform
(Josip Vojvodic Interview; EKONOMSKA POLITIKA, 24 Oct 85). 73

Briefs

Kosovo Population Outlook 85
Bankruptcies in Belgrade 85
Losing Enterprises 85
Bosnian Small Business Program 85
Employment Data 86
Fuel Import Costs 86

JPRS-EEI-85-098

29 December 1985

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

CONTENTS

INTERNATIONAL AFFAIRS

Economic Plans of CEMA Countries Viewed
(Andras Inotai; HETI VILAGGAZDASAG, 12 Oct 85) 1

Yugoslav-USSR Commodity Trade Lists for 1984
(MEDJUNARODNI UGOVORI, No 10, 31 Jul 85) 5

GERMAN DEMOCRATIC REPUBLIC

Development, Practices of Planned Economy Discussed
(Otto Reinhold; EINHEIT, No 11, Nov 85) 16

Scientific Progress, Structural Economic Change Linked
(Helmut Koziolek; EINHEIT, No 11, Nov 85) 25

Comparison Between Combines, Goal Setting Emphasized
(Willi Kunz, Wolfgang Salecker; EINHEIT, No 11, Nov 85) 36

Technological Development, Industrial Benefits Cited
(Siegfried Schiller; EINHEIT, No 11, Nov 85) 43

Combine Operations, Effectiveness Detailed
(Hans-Joachim Beyer; EINHEIT, No 11, Nov 85) 49

FRG Daily Assesses Economic Innovation Potential
(Hans Herbert Goetz; FRANKFURTER ALLGEMEINE, 4 Dec 85) 54

Natural Gas Fuel-Substitution Studied, Used in Motor Vehicles
(Gert Walter; ENERGIETECHNIK, No 5, May 85) 57

INTERFLUG Passenger Volume, Operational Costs Detailed
(Eberhard Lein; TECHNISCH-OEKONOMISCHE INFORMATION DER ZIVILEN LUFTFAHRT, No 5, 1985) 65

Industrial Emissions Cause Large-Scale Damage to Forests
(Horst Paucke; SPEKTRUM, No 6, 1985) 74

Conditions Limit Prospects for Steel Production Technology
(Ludwig Ruschitzka; GIESSEREITECHNIK, No 6, Jun 85) 80

Modernization Seen as Main Goal in Transport Industry
(Otto Arndt; DDR-VERKEHR, No 9, Sep 85) 93

Improved Economic Analysis Aids Agricultural Management
(KOOPERATION, No 6, 1985) 99

Managerial Requirements Considered, by Bruno Forebe 99
Statistical Data Emphasized, by Helmut Klaus 108

Structural Changes, Productivity in Farm Sector Assessed
(Karl Hohmann; FS-ANALYSEN, No 6, 1984) 117

Chemical, Organic Fertilizers, Irrigation Increase Soil Quality
(FELDWIRTSCHAFT, No 8, Aug 85) 136

Organic Fertilizers Emphasized, by K. H. Braun 136
Crop Yields Analyzed, by K. Ressel, et al. 143

Fall Planting Guided by Analysis of 1985 Planting Season
(Dieter Ebert Interview; BAUERN-ECHO, 4 Sep 85) 148

Guide, Travel Lanes Deemed Practical in Fertilizer Application
(R. Otto, et al.; FELDWIRTSCHAFT, No 6, Jun 85) 152

Improperly Applied Fertilizer Results in Deficient Crop Yield
(Klaus Kampfe, Lothar Hannusch Interview; DEUTSCHE BAUERNZEITUNG, No 13, 29 Mar 85) 160

HUNGARY

State Secretary on Aims of Seventh 5-Year Plan
(Janos Hoos Interview; NEPHADSEREG, No 44, 2 Nov 85) 165

State Secretary Discusses Price System
(Bela Szikszay Interview; MAGYAR HIREK, No 21, 12 Oct 85) 169

Employment, Work-Force Problems, Solutions Weighed
(Csaba Vertes; FIGYELO, 17 Oct 85) 176

External Economic Situation, Inflation Discussed
(Istvan Hagelmayer; MAGYAR NEMZET, 5 Nov 85) 181

Foreign Trade Results in First Three Quarters Noted
(Gyorgy Pataki; FIGYELO, 31 Oct 85) 185

Adjustment of Legal Measures to Development of Society Discussed
(Imre Markoja; MAGYAR NEMZET, 17 Sep 85) 188

Official Clarifies Role of Agricultural Co-op Activities
(Janos Eleki Interview; OTLET, 3 Oct 85) 192

POLAND

Details on 1986 Annual Plan
(RZECZPOSPOLITA, 26 Nov 85) 198

Planning Commission on 1986-90 Fuel, Energy Supplies
(RZECZPOSPOLITA, 20 Nov 85) 200

Natural Gas Consumption, Supply Outlook
(TRYBUNA LUDU, 18 Nov 85) 202

Railway Car Bottleneck Causes Examined
(Andrzej Kozminski; TRYBUNA LUDU, 25 Oct 85) 204

Briefs

Soviet Rail Equipment to Poland 208
Polish-Japanese Trade Talks 208

ROMANIA

Status of Production, Exports in Chemical Industry
(Ioan Georgescu; REVISTA ECONOMICA, No 41, 11 Oct 85) 209

Technologies for Increased Use of Reusable Resources
(Ioan Nedelcu; REVISTA ECONOMICA, No 41, 11 Oct 85) 213

Increased Production in Wood Industry
(Rodica Miroiu; REVISTA ECONOMICA, No 41, 11 Oct 85) 215

Measures To Increase Poultry Production
(Viorel Chirita, Gheorghe Olteanu; REVISTA ECONOMICA,
No 41, 11 Oct 85) 218

YUGOSLAVIA

Slovene LC Forum Discusses Economy, LC Membership
(TANJUG Domestic Service, 13 Nov 85) 222

Briefs

Mining Production Figures 224
New Home Computer Production 224
New Air Routes 224
Irrigation Equipment for Syria 225
Egyptian Economic Cooperation 225
Bosnia-Hercegovina Industrial Production 225
Electronic Industry Expansion 225
Italian-Yugoslav Economic Cooperation 226
Debt to Belgium Rescheduled 226
Yugoslav-French Economic Cooperation 226

JPRS-EER-86-002

6 JANUARY 1986

East Europe Report

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS-EER-86-002

6 January 1986

EAST EUROPE REPORT

CONTENTS

ECONOMY

HUNGARY

Panel Discusses Options, Problems of Troubled Enterprises
(Gyula Csaki, et al. Interview; NEPSZABADSAG, 16 Nov 85).... 1

Comments on Rationale of Personal Income Tax
(MAGYAR NEMZET, 18 Nov 85)................................. 7

Limits of Honest Profit Discussed
(Imre A. Wiener Interview; MAGYAR NEMZET, 28 Oct 85)........ 10

Relation of Redistribution to Efficiency Studied
(Gyorgy Molnar; MAGYAR NEMZET, 15 Oct 85).................. 15

POLAND

Baka Discusses 1986 Credit Plan
(TRYBUNA LUDU, 28 Nov 85).................................. 20

ROMANIA

Vaduva Hails Ceausescu's Economic Policy
(VIITORUL SOCIAL, Sep-Oct 85).............................. 21

YUGOSLAVIA

Article Holds Socialism Restrictive of Joint Stock Companies
(Vladimir Gligorov; EKONOMSKA POLITIKA, 30 Sep 85).......... 28

Economist Discusses Use of Social Funds in Present System
(Miroljub Labus Interview; EKONOMSKA POLITIKA, 11 Nov 85)... 30

POLITICS

CZECHOSLOVAKIA

Trade Union Leader on Relation With Arab Organizations
(CTK, 13 Dec 85).. 39

YUGOSLAVIA

Kecmanovic Discusses Question of Nationalism
(Nenad Kecmanovic Interview; DANAS, 10 Sep 85)................ 40

Serbia's Youth Paper Snaps Back at Colonel's Alarm
(Slavisa Lekic; NOVE OMLADINSKE NOVINE, 3 Nov 85)............. 49

SCIENCE AND TECHNOLOGY

GERMAN DEMOCRATIC REPUBLIC

Automatic PCB Testing System Described
(A. Stopp; FEINGERAETETECHNIK, No 8, 1985).................... 52

Electronics Equipment Developments Surveyed
(L. Hoedtke; FEINGERAETETECHNIK, No 8, 1985).................. 56

Laser Scribing of Semiconductor Wafers
(B. Laemmel, et al.; FEINGERAETETECHNIK, No 8, 1985).......... 59

Electronic Equipment Construction Center Described
(K. Sass, L. Hoedtke; FEINGERAETETECHNIK, No 8, 1985)......... 64

YUGOSLAVIA

Construction of Accelerator at Boris Kidric Institute
(L. Cocaj; PRIVREDNI PREGLED, 24 Oct 85)...................... 66

ECONOMY HUNGARY

PANEL DISCUSSES OPTIONS, PROBLEMS OF TROUBLED ENTERPRISES

Budapest NEPSZABADSAG in Hungarian 16 Nov 85 p 5

[Interview with Gyula Csaki, deputy finance minister, Gabor Kelenyi, deputy secretary-general of the Hungarian Chamber of Commerce, Attila Lorinczi, managing director of the Lang Machine Factory, Laszlo Soltesz, vice-chairman of the Hungarian National Bank, Ferenc Szabo, managing director of the Danube Iron Works, and Otto Zalatnay, managing director of the Hungarian Cloth Factory by Katalin Bossanyi; date and place not specified.]

[Text] On the basis of last year's management 168 industrial, construction industry and commercial organizations found themselves in a difficult situation; more than 80 percent of the deficit was concentrated in large, industrial enterprises. How great is the scope of the troubled enterprises? How can they find their way out of the difficulties--with what efforts of their own or state help? We talked about these questions with the leaders of several typical large enterprises and with representatives of higher authorities and various interest groups.

[NEPSZABADSAG] In respect to their ratio how great was the number of those enterprises which were in trouble, and how will present-day methods of dealing with the losses affect the progress of the other organizations?

[Csaki] In itself the ratio and extent of enterprises that are in the red or short of money is not great by international comparison: the total amount devoted to direct financial settlement has been about 10 billion forints annually in the past period. But this is only the tip of the iceberg. If we include those operating at a low level, of efficiency, organizations maintained at level by means of supports, and those in a difficult situation for other reasons, we are speaking of a considerably larger and virtually permanent enterprise circle. As a consequence of the stricter regulation and tensions prolonged from earlier years the extent of the deficit, according to our estimates, will increase this year by 15 to 20 percent, and the circle of those affected will also expand considerably. The same trend can be observed in economic units with a fund shortage, and the number of those operating at low efficiency is expanding to about 100 enterprises. It is, of course, natural in an economy open to market influences that the profitability position of the enterprises should be differentiated. In itself, it does not cause socio-economic tension that a range of troubled enterprises should develop. The biggest problem is caused by the fact that these deficits must covered by the central budget, and in the present circumstances this can only be done with withdrawing revenues from efficiently operating enterprises: and the ratio of budgetary centralization grows, a state behavior that can justifiably be criticized. Thus in the final analysis the present financial settlement of those operating at a deficit reacts on and limits our whole economic development.

[Soltesz] The number of those struggling with fund shortages is substantially larger than this and shows a growing trend. Only the shortage is not always evident because the bank--if it sees a hope that an enterprise will be able to make up the fund shortage from its own resources--will prolong the credits. Most of the enterprises that are assisted in this way will satisfy the conditions but at a tremendous price. In years they will put themselves in order financially as far as the balance is concerned, but they will be completely "stripped bare;" they will not have money even to maintain their level. And then it is no wonder that after 2 or 3 years they will be on the rehabilitation list. This is a real danger and the longer it takes us to recognize it and come to terms with it the greater the social loss of capital.

[NEPSZABADSAG] There are three enterprises present here which are in difficult circumstances, although to various degrees. As you see it, what were the causes that led to the development of your problems?

[Lorinczi] There were and are internal management problems at the Lang Factory, and also we adopted the market outlook too late. But still the greatest tension is caused by the fact that the ground slipped from under our most important products. At central instance and with bank money we developed chemical industry and atomic energy machine manufacture, and we were the first to take export development credit for the modernization of turbine manufacture. These capital burdens weigh on us, but we cannot use our capacities profitably. The atomic energy program of the CEMA countries is behind schedule, we have not received any turbine orders for domestic power works since 1978, and without references exports are not possible. We can use our technologies for other kinds of manufacture only with difficulty and with new losses, and this too requires time. Therefore the Ministry of Industry has ordered the rehabilitation of the enterprise.

[Zalatnay] The textile industry is in a unique situation throughout the world, and our situation is made even more difficult by our delayed developments and manpower problems. The Hungarian Cloth Factory saw the establishment of provincial industries as one of the keys to the solution of the problem. These additional costs and an erroneous development program--for which I also feel a personal responsibility--led to the earlier deficits. We have now passed beyond the dead point--our products are in demand both at home and abroad--but our profits are still too small. A role is played in this by the fact that on the basis of our export prices we could raise our domestic prices, but for various reasons we are slow in having this possibility granted. Let me note that our FRG cooperation partner is working with a smaller profit rate than we are, but is doing well.

[Szabo] The Danube Iron Works is not in the red, does not have a fund shortage, and still is struggling with serious problems. I believe that our evaluation is also erroneous: we are classified as a crisis subbranch, but we still cannot make as many products as the domestic market demands. That is, the fault is not with the demand but with the profit! What profit we do make is not enough to repay the loans on our enormous metallurgical investments. It is true that nowhere in the world are these investments realized from bank loans. The profitability of our production is also trimmed by poor ore quality. While energy costs are increasing, we are continuing to sell our products 16 to 20 percent below world market prices. I do not agree at all with the idea that we must improve the competitiveness of the machine industry onesidedly by means of a depressed basic material factory!

[Csaki] These external problems are real. But let us not forget that external and internal difficulties are in reciprocal relation. It is questionable to what extent the troubled enterprises are exploiting their own possibilities. It is not possible to solve the present tensions merely by passing on costs and raising prices--even if the management rules of the game were to give scope to this--because this would merely roll the deficits over within the industry. And the price would be paid by the consumer, and our living standards would be harmed. In my view, we can point behind the whole phenomenon to a slow market adjustment and to a low revenue-producing capability.

[NEPSZABADSAG] What is the ratio between the external and internal causes?

[Soltesz] The external and internal causes vary by enterprise, but perceptibly most of the problems have been caused by erroneous investment decisions. In addition, the goal or the mode of realization was not mistaken in every case. In weighing this matter and in assessing responsibility, we must consider that the credits were accepted under entirely different regulation conditions that those under which they must now be repaid. And this is not only true of the funds, for the enterprises with liquidity problems still bear a 20 percent penalty tax on their circulating asset credits. And thus the troubled enterprises are going deeper into trouble. I think that while we rightfully castigate inflexibility and an enterprise attitude suited for stockpiling and waiting it out, we must at the same time--by improving regulation--create the conditions for their better adjustment.

[Kelenyi] The demand is great for the products of many troubled enterprises, and therefore the problems cannot be ascribed unconditionally to market tensions; often it is their unstable financial situation that prevents them from meeting real market demands. It is an important problem: the development of profit does not really show the activity of a given organization! It can be shown that the difficulties of some of the troubled enterprises stem from inconsistencies of management and increased state withdrawals. The enterprise area of mobility is narrowing! Among those which are recurrently in trouble there are many which expanded, took risks, and sell a significant ratio of their products on foreign markets. Whereas others which chose the path of "considered advance" are doing well today.

[Csaki] If we let ourselves get stuck on what others should do, we will make no progress. Undoubtedly, regulation also--for reasons of necessity--will in some cases narrow the enterprises' possibilities for action. As I see it, however, many do not even take advantage of that area of mobility which is available to them!

[Soltesz] I agree, but the general economic environment makes it difficult at present to overcome the difficulties. I am thinking, for example, of the fact that we rehabilitated several enterprises under very hard conditions. They dealt with the consequences, but in their strained situation, they were unable to bear the additional burdens of the new modifications in regulation. Several independent Csepel enterprises and even Tungsram are now for these reasons struggling with new problems. We should strive to see that the tensions arise at those organizations which are themselves the cause of the tensions. In this way both responsibility and the mode of handling could be better defined.

[NEPSZABADSAG] Earlier, if a large enterprise was in trouble, it solved the problem by acquiring itself a new "tabula rasa" beginning, or by amalgamation. In recent years, however, the state has rightfully put more strict conditions on financial settlement. What kind of solutions do those who are present turn to in order to improve their situation from their own resources, and in return what do the superior authorities demand?

[Zalatnay] The Hungarian Cloth Factory does not ask for outside help, but it received useful advice from the Hungarian National Bank that we accepted. We covered most of our losses by selling those factories that were causing the losses, or by selling that part of our main factory which was not being used because of manpower problems. We want to increase our profits by expanding the scope of our more competitive products, and by a rapid product change. To do this, we had to carry out developments: we bought used machinery with the cooperation of the Bank.

[Szabo] Product change has also been accelerated at the Danube Iron Works, quality has been improved, but if we want to replace unprofitable products we have to undertake developments. It appears there will be no money for this purpose in the near future, and that will mean imports. It must be considered by the national economy what is best for the country: expansion of domestic production or capitalist imports. And it must also be decided whether we need an iron foundry of this size and structure and if we do then we have to create the operational conditions. The superior authorities and the specialized ministry are debating whether we should first submit our technical development concepts. But without knowing the financial conditions this would be only a superficial approximation. We are not asking for special judgment but for a setting of prices and the opportunity to realize our development in the form of state capital allocations and in return for premium payments.

[Lorinczi] I am convinced that it depends primarily on our own improving work what confidence we may enjoy for continued help. The Lang Factory has tried various things, among others we are exploiting our unused capacities. But without a financial arrangement we cannot make progress because we even need funds for everyday work. We want to accelerate our product change, but it is not possible to come up with something just like that to replace turbines. Not merely for traditional reasons we would also like to save our turbine manufacture for more favorable days.

[Csaki] The Lang Machine Factory case illustrates that a financial arrangement can solve the problems only superficially. For a comprehensive structural transformation--that is, for permanently profitable operation--we need a new scope of activities and markets, which no one but us can search for. Since the rehabilitation of the enterprise is in process I do not want to anticipate the decision. But it is in fact an industrial policy question whether we shall have or not have turbine manufacture! The Ministry of

Industry is now studying this matter. If the salvage operation places such burdens on the budget as are not acceptable in the present situation, a decision may be made that is unfavorable to the enterprise. Putting iron metallurgy into order on a subbranch scale again raises another problem and the mode of handling that is spiralling in its effects. With the limitation that under the label of operating capability it is not possible to ask for conditions differing from the general.

[NEPSZABADSAG] "A stitch in time saves nine" goes the old proverb. But our decisions on financial arrangements up to now have been prolonged in coming--or lead only to partial solutions--and this too may cause new sources of deficits. What do you think of this?

[Szabo] In Western Europe they brought radical solutions to iron metallurgy by state means. In Hungary, however, we have remained uncertain for the past 5 years. We are speaking of the fate of 60,000 men whom it is very difficult under such circumstances to stimulate to greater achievements.

[Lorinczi] At the recommendation of the Ministry of Finance and the Bank we prepared a so-called screening program with the help of a foreign planning firm. The analysis shows that we need time to realize a program emerging from our difficulties. But without a decision we cannot plan.

[Soltesz] We really cannot keep the enterprises in a state of "economic emergency" for a long period of time, and therefore it is necessary that decisions be made as soon as possible. But it is also evident that to solve the many-layered and far-reaching tensions the path does not lie only and unconditionally through financial arrangements. We also have to understand that the rapid settlement of cases involving troubled enterprises frequently conflicts with social and area obstacles, with group and personal interests and their real or fancied concerns, in reaction to which we are inclined to magnify into political questions those problems which can be solved without tensions in the economic area. The prolongation over the years of the termination of the Hat Factory and the Office Equipment Enterprise also involved arguments like this, and the end of it was that liquidation cost the economy much more than if necessary steps had been taken in time.

[Csaki] In the debates of the various trade interest groups the time factor is present sometimes in opposition to realistic deliberation and solutions, although by saying this I do not wish to devalue the role of rapid and resolute decisionmaking. But we must consider that if an enterprise and subbranch strategy viable over the long run is not paired with a financial settlement, we will only continue to multiply our problems. We should finally be aware that the central budget is not a bottomless sack from which everyone may take what he likes.

[NEPSZABADSAG] It is evident from our conversation that both those affected by and those participating in decisionmaking are unsatisfied with our methods for financial settlement. With the further development of economic management and the widening of market relations how will the inventory means for settling the affairs of troubled enterprises be modernized and expanded?

[Soltesz] Independently of whether the Hungarian National Bank participates directly or indirectly, all financial settlements at present are made at the cost of the central budget. With the modernization of the bank system there will be commercial banks which not only extend credits to various undertakings but also participate in business operations with risk money and thus share in the profits as well as the losses. Of course, we also want to improve our traditional credit practice. Among other things we would expand--for example, to export oriented developments--the scope of the criteria for World Bank credit applications and the methods of evaluating them. Parallel with this--and next year's regulation modification will give incentives to this end--we want to help in easing the problems of troubled enterprises by speeding up capital circulation, and of course chiefly in helping to strengthen the enterprises that are doing well. I regard it as an important step forward that we are revising the regulations for the system of fund and capital allocations. By this means it will be possible to moderate not only the difficulties of a limited number of enterprises carrying out developments that require large amounts of credit and have a slow rate of return, but security transactions will also be accelerated and a capital market may develop which can evaluate enterprise performance with greater certainty.

[Kelenyi] Up to now if an enterprise had serious economic problems, two things might happen: the state would either rehabilitate or liquidate it. But there is also an in-between solution, an agreement, for example. In this process the Hungarian Chamber of Commerce is willing to undertake the role of mediating and reconciling the interests.

[Csaki] The central budget is trying to reduce its role in undertaking rehabilitation costs. To this end, among other things, we are seeking to develop an institutional system whereby it would not be the state that was in confrontation with the enterprises, but the customer with the supplier, the debtor with the creditor. A compromise could even be arrived at in the course of the debates: the Hungarian Chamber of Commerce could establish the forum at the first stage. It would also be justified in time to establish a specialized organization for this purpose. In exceptional cases and in the framework of a modernized state rehabilitation procedure there would be a continuing possibility for central settlement of the losses, or a part of them. But in these cases, too, we would endeavor to reestablish the bases not only for assisting operational capability but also for creating profitable activity in the future. Obviously there will also be organizations whose management could be put in order only at great--and nonconvertible for a foreseeable time--cost to the state. These must be liquidated! But the decision in such cases, too, will affect only the organization or profile. The capital means can be used, the manpower retrained, or the activity may be modified at the site itself.

[NEPSZABADSAG] Thank you for the conversation.

12929/6691
CSO: 2500/87

ECONOMY HUNGARY

COMMENTS ON RATIONALE OF PERSONAL INCOME TAX

Budapest MAGYAR NEMZET in Hungarian 18 Nov 85 p 5

[Excerpt] Tax is part of the income of the national budget and thereby also part of the redistribution of national revenues. But who should care? First of all, the economic organizations, of course. In the opinion of the experts, the work of these organizations warrants a great deal of improvement, their omissions have been coming to light lately, they are not devoting sufficient care to the accuracy of their published data. But the taxpaying citizens must also care. Their current number is around 1,200,000. (Not everyone pays taxes: we don't pay tax after wages earned at an enterprise but we pay retirement contributions. These are two different things.) Well, they no doubt read with great attention the reports about modification of the general income tax. It was decided a few days ago by the government that the income taxation system of the population must be modernized!

The goal of the changes remains the establishment of a more equitable sharing in the public burden. A few weeks from now, as of 1 January, one form of taxation--for municipal development--will be abolished and, in the words of the communique issued after the governmental meeting, "this would result in a substantial lowering of the general income tax burden." This is not justified in the case of taxpayers with high income. Therefore, "a moderate redistribution of the tax burdens became necessary."

What does this mean? In essence, the taxes of people with lower incomes will decrease while the tax burdens on higher incomes will further increase in the future. According to estimates by the Ministry of Finance, there will be about 60,000 people paying higher taxes in the future. The overwhelming majority of the 200,000 small business operators and craftsmen, 195,000 of them, will benefit, their taxes will be lowered and assumedly only 5,000 of them will pay higher taxes. For annual incomes below 200,000 forints, the tax rate will be lower than before. This week a press conference was held at the Ministry of Finance where the substance of the changes was made public. Among others, it was also pointed out that the manner in which the previous exemptions are being modified is also a very important part of the new regulations. For example, the amount of social exemption, affecting the aged or disabled taxpayers, is increased from the previous annual income limit of 40,000 forints to 60,000. The amount that can be exempted by the local councils to the benefit of entrepreneurs such as small craftsmen, small retailers, those working under contract and paid contract wages was increased more than two-fold from 50,000 to 120,000 forints per year. The obvious goal of the measure is to further improve the supply and raise the entrepreneurial spirit.

Not only the general income tax will be changed next year but the procedure of tax management will also be modified. Larger entrepreneurs, economic work partnerships and those reaching a net annual income of 500,000 forints will be subject to self-taxation. In other words, they will keep track of all of their income and expenses item by item, will fill out a tax return and will pay accordingly. There is no broad segment involved; according to the data from the ministry, about 600 taxpayers will be involved and thus it will be possible to get an itemized account from all of them every year. In their case, tax-morality has an obvious relevance.

The majority of the taxpayers, in technical terms those having small or middle incomes, can choose between paying a flat rate or filling out a tax return. If they choose the former, they will have to reach deeper into their pocket; on the other hand, they will have nothing to do with the internal revenue service for three years...

This form of taxation is described in the information provided by the ministry as follows: here also, "higher taxation of saliently high incomes cannot be renounced. The regulation provides for correction and, failing all else, an assessment of tax liability."

In conclusion, one more from among the changes to take effect next year. At the end of summer or in early fall, that is, after the close of the tax assessment period, a new office, the Tax Assessment Office, will come into being. This will belong under the council machinery everywhere and its function will also include provisions for increased tax control.

These are roughly the changes. Obviously the details will be checked by all those affected since everyone is curious what effects the modifications will have for him. An old dispute is also nearing an end. No one has accepted and no one has thought it right that, with respect to taxation, there was a sign of equality between the small craftsman and the sculptor, the entrepreneur and the author, the boutique owner and the textile designer. The new system takes into account the peculiar nature of intellectual accomplishment and also that these professionals have different "overhead expenses" from others. The concept is also somewhat more complex and more abstract here than elsewhere. Therefore, authors, composers, producers and lecturers, among others, will be taxed on a 35-percent tax basis up to 400,000 forints in annual income and on a 50-percent basis over that. Individuals performing extra work on the basis of a commission will also experience changes. Starting next year, if the fees received for such work are under 1,000 forints, they will not be added; they will not appear in the tax base. On the other hand, instead of the current 2 percent, these people will pay three times as much, 6 percent in certain cases.

According to classical economics, taxation can appear in several forms. It can also appear in the form of curtailments and built into the prices. Obviously the former is better. Individual incomes can also be regulated by modifying prices, wages and social benefits. It is again obvious here that the most expedient is to regulate at the source, at the place where incomes arise. All of it reinforces the rationality of reasonable changes in the taxation system. With more or less afterthought, everyone agrees. Care must be taken, however, not to strengthen contrary interests. These days one hears of small craftsmen, recently even of GMK's [work associations] who quit working at a certain time of the year, by no means near the end of it: they "become sick" or take a vacation--in other words, they don't work because it is not worth their while. Earning a little more would be too costly for them. Namely, their taxes would skyrocket. Reading the housing advertisements, no one is surprised any more at numbers in the millions. Sooner or later incomes in the upper six figures will also become "routine." If they can be earned honestly, it is obviously attractive. But it will immediately cease to be attractive if for 500,000 forints, the tax bite is 60 percent of the total amount and above 900,000 forints it is three-fourths of the total. Of course, I know, for the time being many of us are not faced with the danger of having to pay 75 percent of our money on taxes. A sizable sum. But still... "Oh, if I too, I too could be amongst you...."

2473/12859
CSO: 2500/89

LIMITS OF HONEST PROFIT DISCUSSED

Budapest MAGYAR NEMZET in Hungarian 28 Oct 85 p 4

[Interview with Dr Imre A. Wiener, associate of the Institute of State and Legal Sciences of the Hungarian Academy of Sciences: by Istvan Javorniczky "Everything Has Its (Sur)Price, or How Much Profit Is Decent?"]

[Text] [Question] Among criminal activities connected to economic life, there are those that have always existed and will continue to exist, while there are numerous others that disappear along with the social circumstances that are responsible for their coming into being. Corruption is one of the activities that is always "persecuted." Are we talking about an unavoidable phenomenon of human society?

[Answer] In fact, this appears to be the case, although, if we look at today's two social systems, we can detect significant differences. While in the West, where there is surplus and genuine competition in the market place, the seller corrupts in order to move his commodity, in our country the hapless consumer runs after the merchandise and pays, just so he can obtain certain products. It is also a significant difference that while in Western countries large payoffs are typical, in our country many small payoffs occur. Exactly how many, it is difficult to say, because corruption is the most typical example of latent criminality. At the same time, it must be realized that, like it or not, corruption also exerts a stimul ating influence on economic life. Criminal law, however, cannot deal with this fact; its task is to prevent and mete out punishment for activities proscribed by law. For example, if a cooperatiove cannot complete a job it undertook, because there is no material, what will they do? They will pay a bribe, that is, they will corrupt someone, in order to be able to work. If this comes out, the cooperative will be censored.

What Is Left Is Punishment

[Question] This, of course, confuses people's developed value system somewhat, as to when and what is allowable and who is allowed to do it. But before expressing your opinion concerning that, please tell us about those new phenomena that, resulting from the newest developments in economic life, also come under the aegis of criminal law.

[Answer] There are cases in which those legal sanctions are absent that would serve to protect the new economic forms and cleanse them of aberrations preventing them from reaching the desired goals. We hear of manipulations taking place, but on the one hand they are difficult to prove, while on the other hand, since there are no legal precedents, nothing can be done. An example for this may take place during the bidding for a contract: one of the bidders may bribe his competitors to drop out of the bidding. Or an enterprise may invite bids for a contract, but it sets the conditions in such a manner that the outcome of the bidding is clear. Hungarian jurisprudence used to have regulations to guarantee the honesty of competition and to prevent corruption. In time, however, these laws have been declared inoperative, because the basic social and economic conditions were missing.

[Question] Is criminal jurisprudence required to deal with phenomena of such an economic nature?

[Answer] There is no choice. Within the state and cooperative sectors, accountability within the provisions of labor law could be an effective method for dealing with these problems, but as soon as we provide room for private initiative, we cannot rely on this method. In cases of corruptionn, civil law would have difficulty proving responsibility: How could someone prove that he would have won the bidding if it had been honest? As the independence of the enterprises increases, there are even fewer opportunities for calling people to account within the provisions of labor law, because under the new management system, it is unclear when a ministry can initiate a disciplinary process against a plant director. As the management system is transformed, the only recourse remaining is criminal punishment.

[Question] This sounds a little strange, considering that for years we have been celebrating the fact that a number of economic activities are no longer threatened by legal sanctions...

[Answer] During the time of direct economic supervision by the state, the role of criminal law was different than today. Enterprises received their instructions from the center, and there was only one criterion: did it comply or not? Lawyers were not allowed to consider whether the enterprise's activity was useful for society or not. Tens of thousands of people have been convicted, because they did not fulfill the plans or did not satisfy the requirements of compulsory delivery of agricultural goods. Criminal law can only be blamed for not upholding its own rules. But if there prevails an economic policy according to which it is wrong for one to butcher one's own farm animals, then the judge can do only one thing, bring sentence in accordance with the existing laws. Nowadays the role of criminal law is entirely different: Its purpose is not to force the accomplishment of a concrete achievement, but rather to protect the system of conditions created by our economic policies. This is a task it is capable of accomplishing. However, criminal punishment cannot assure that people do their jobs well; at the most, it can be ascertained that those who have no expertise in a field of endeavor stay away from it. These days, much emphasis is placed on stimulating profitability. If an enterprise does not pay its state taxes because its profits have fallen below the predetermined level, criminal law cannot take any action. However, if a certain profit level was reached, and the enterprise attempts to evade paying taxes by manipulating the figures, there is room for legal action. In the past, enterprises used to play fast and loose with the average wages, such as underpaying their employees. Today, one of the practices prevailing is the transfer of already completed tasks from one plant or enterprise to another, less profitable one, thus evading the payment of taxes.

What Is Lacking

[Question] From this example one can also surmise that perhaps the alteration of economic regulation may be more effective than the sanctioning of the enterprises' defensive mechanism, which may have been caused by other reasons than mere lawlessness. Also, the question may arise: Won't the intervention of criminal law hinder economic progress? I am referring, for example, to the much debated practice of business speculation.

[Answer] The legal definition of speculation is so generally stated that it could include everything. The truth is that there are few cases involving speculation; criminal law moves slowly, because it is uncertain as to the correctness of its methods in any given area. In order to change this situation, the lawyers should be familiar with the prevailing economic policies, but one of the major strengths of that branch of jurisprudence is its stability. Another worry is that it is up to the judge considering the concrete case, what he considers speculation. In the past it used to be simpler; if someone made an disproportionately large amount of money, this was referred to as income earned without work. Today, on the other hand, profitability is an important consideration. However, this is only effective if a well-developed parallel taxation system also exists. In our country, such a system and the requisite professional apparatus are absent.

The source of the confusion is that they attempt to syphon off excessive income, which should be the task of the taxation system, by the application of criminal law. People working in the justice system utilize, as an aid in performing their tasks, the old principle that disproportionately large incomes are not derived from work, and thus these types of incomes are reprehensible. However, criminal law cannot draw the line between an acceptable and unacceptable amount of income. A few years ago there was a case in which people were tried because they brought computers into the country and sold them through the network of state-operated pawnshops. Everything was done in a completely legal manner, but, on the pretext that the individuals involved made outlandish profits, they were sentenced. Since that time the state has found an effective solution for this; by altering the customs regulations, it is able to remove some of the extremely high profits that are obtainable in these kinds of transactions. I do not have to tell you how much more effective this method is than the practice of dragging people before the courts on the pretext of speculation.

[Question] By permitting new economic practices, many of the private entrepreneurs, formerly threatened by imprisonment, see legal opportunities opening before them.

[Answer] Yes. Now the problems are more likely to derive from operating enterprises in a manner different than originally declared. Phony firms are created, in which profits are created by simple accounting maneuvers. These can be countered by administrative means, but the further development of the economic mechanism could be even more effective, because it is obvious that under the conditions of genuine market and competition oriented economy the consumers would not tolerate inflated prices. As an example, the anomalies of vegetable commerce could not be solved by administrative means, let alone by those of criminal law.

Only the Exceptions

[Question] In any event, it does not reinforce people's sense of justice that at times someone is sentenced for activities that are widely accepted. This can easily lead to the practice of ignoring the norms. Many people think that it is worth it to take risks. When someone is caught, he is likely to receive sympathy...

[Answer] It is worthwile to distinguish two variations: When someone removes goods from the market and passes it on at a profit, this is a practice that has always and everywhere been punishable. But if we are talking about the production of new values, that is, the satisfying of existing economic needs, then people will risk imprisonment, because they can make money while fulfilling genuine economic needs. For example, hundreds of small apartment buildings have gone up through methods that were referred to as non-professional. The officials were aware of the actual methods involved in these constructions; still, whenever an enterprising contractor was caught, he was sentenced. Yet, the truth is that few builders who performed their contractual obligations were indicted. In most cases, a contractor operating in the gray area between legality and illegality also had to be guilty of embezzlement or fraud before his clients filed suits against him. It is certain, however, that the methods of criminal law should only be used in cases of exceptional behavior. If everyone could consider himself guilty, then people could not approve of sentencing the law-breakers, fearing that tomorrow any one of them could be imprisoned.

[Question] If I understood you correctly, criminal law will continue to have a role in the implementation of economic aims, and the gist of changes can be summed up by stating that the task of the legal system will not be to compel the accomplishment of certain performance, but rather the protection of the system of economic conditions.

[Answer] If we consider the 1950s as the basis of comparison, then this change has already been accomplished. The number of economic crimes has been reduced from tens of thousands to two or three thousand annually. This amounts to about 2-3 percent of the total crime statistics, and this proportion is not likely to be modified in the future. What is likely to change is that there will be infringements of different types, in accordance with the changing conditions. After all, there is no economic system of which someone cannot take advantage. When a thorough system of taxation is developed, the frequency of tax evasions is likely to increase. Every institution will produce people who take advantage of it. Thus, modifications are likely to be restricted to this area. As for the economic role of criminal law, it will remain in effect as outlined above.

12588
CSO: 2500/34

RELATION OF REDISTRIBUTION TO EFFICIENCY STUDIED

Budapest MAGYAR NEMZET in Hungarian 15 Oct 85 p 4

[Article by Gyorgy Molnar, Research Associate of the Scientific Institute for Economics: "Redistribution and Efficiency"]

[Text] One of the means by which the success of the economic mechanism's further development can be judged is whether the gap between the national and enterprises' efficiency of economic activities has been narrowed or not. We have long been aware that the two are not identical, and we have also known that success in achieving either national or enterprise-centered efficiency does not automatically bring with it success in the other sphere. If, for example, the production of an item is considered efficient from the point of view of an enterprise, it does not mean that the resources utilized in production (material, labor, equipment) will be properly compensated for by selling the item. And the reverse is also true: Utilizing our advantages derived from our economic situation by producing certain commodities is not always made profitable for the enterprises by the regulations.

Role of the Branches

One of the fundamental components of the mechanism intermediating between the interests of the enterprises and the national economy, and in some cases a partner that is able to present independent demands, is the branch.

From the point of view of economic growth and the transformation of economic structure, one very important factor is accumulation or--looking at it from the side of the regulatory agencies--the financing of accumulation. This calls for a more thorough analysis of the distribution of accumulation and income usable for accumulation among the various branches, and the relationship between the two factors, which surface in the form of income-redistribution. One of the major observations is that the ignoring of these relationships contributed heavily to the failure of restructuring efforts during the 1970s, and the same lack of insight hinders the implementation of the process today.

At the level of national economy, the income that can be utilized for accumulation equals the value of accumulation. However, there are branches in which more income is generated than the value of accumulation (let's call these income-transmitting branches), while there are others where the value of income is lower than the value of accumulation (income-receiving branches). The gap between the two kinds of branches is bridged by income-redistribution, which assures that income over and above the accumulation generated within the branches is assigned to the place of accumulation. Income redistribution is usually implemented through the central budget, and its actual realization is not as easy as we outline it here. It has a great number of concrete forms; the income-receiving branches also pay taxes, while the income-transmitters also receive some budgetary subsidies. Recently, income redistribution has also been implemented through forms that are not connected to the national budget; for example, an enterprise may transmit its surplus income to the place of accumulation by purchasing bonds. Let us leave aside the complicated system of redistribution for now and concentrate on examining the end result, that is, how the individual branches shared accumulation and income production, and what the relationship between the two has been since 1970.

During the 1970s, between 32 and 38 percent of the accumulation went to manufacturing, between 14 and 15 percent to agriculture, and between 44 and 51 to the service industries. The relationship between the changing share of accumulation and the varying pace in the growth of accumulation is important. If accumulation on a national level is decreasing or growing at a slow rate, then the proportion received by manufacturing is relatively low, while that received by the service industries is relatively high; on the other hand, when national accumulation is growing at a significant rate, then the share of manufacturing is increasing, while that of the service branches is decreasing, especially in the non-producing specialities. This is usually explained by the practice, that manufacturing, which is neglected during periods of restricted accumulation possibilities, is given generous "compensation" in times of growth. Thus, the accumulation of productive means has been more rapid in manufacturing than in the service branches. During the early 1980s the resources that could have been used for accumulation have been growing slowly, or have even decreased. The relationship between the growth of accumulation and the share of the various branches remained in effect; the share of manufacturing is around 30 percent, while the share of the service industries is higher than it has ever been during the 1970s. What is more, this accumulation structure has remained more or less constant for the last five years, a factor which, in the event of increasing opportunities for accumulation is likely to accentuate the phenomenon experienced during the 1970s; in other words, the share of manufacturing accumulation will increase out of proportion, while services will be neglected.

Income and Incentives

There is a sharp distinction between the structure of accumulation and the structure of income that can be utilized for accumulation. Such income, in fact, is produced only in manufacturing, construction industry and the producing s ervices (primarily in commerce). Due to the disproportions of branch-based price structure, agriculture and the nonproducing services receive almost none of the income. What this means is that any accumulation within these branches ha s to be financed almost exclusively through the method of income redistribution. The dispersal of generated income is characterized by stability. At the same time, there is a certain one-directional change taking place. The shares of manu facturing and construction industry are increasing: during the early 1970s their combined value used to be relatively stable, around 66 percent, while in the second half of the decade this value rose above 70 percent. Conversely, the share of the service industries dropped from the 33-35 percent of the first four years to below 30 percent.

With the adoption of competitive (export or import following) prices during the early years of the 1980s, industrial share rose by more than 10 points to above 75 percent. Significant increases took place in the shares of mining, electrical energy production, and chemical industry, while those of machine and light industry decreased, but not sharply enough to negate the above increases. The situation of agriculture has not been influenced by these changes; it still does not produce any income that can be utilized for accumulation. The producing service industries' share, which used to be almost 30 percent, dropped close to 20 percent, while the share of non-producing services became a permanently negative value; prices prevailing in this sphere do not even cover the costs of material and labor.

If we compare accumulation and the distribution of income among the various branches, we find that during the 1970s some 40-50 percent of income was used for the purposes of accumulation in branches other than its place of creation, and since 1979 the proportion of income redistribution has risen above 50 percent! This means that during the early years of the 1980s more than half of all monies utilized for accumulation was created elsewhere, or, conversely, more than half of all income was removed from the branch where it was created. These averages conceal greatly varying extremes. Just a few examples: About 60 percent of the income generated by manufacturing is syphoned off to other branches, while the accumulation in the service industries uses up two and a half times as much money as the income they create. Such extensive and intensive income redistribution, encompassing the entire nation's economic life, contradicts the requirement according to which the gap between the degree of efficiency at the national and the enterprisal level should be reduced. The income-transmitting branches, the enterprises within these branches, feel that the income taken away from them is too great; they will have less incentive to work for income growth, since they will be able to use only a small percentage of the money thus earned for their own purposes. The income-receiving branches are not growing because of their own efficiency, since their accumulation is underwritten by the provisions of the national budget.

At first glance, it appears that the solution is simple: We should greatly reduce the extent of centrally implemented income redistribution. However, the above-described factors represent only a portion of the problem. The extreme differences between the incomes of the various branches can also be explained by the disproportionate production costs. In agriculture and in the service industries these prices are low in comparison with investments, while in manufacturing and construction they are relatively high, and these cause the divergences in profitability. (Similar lack of proportions can be observed within manufacturing as well.)

In the case of such chronic and greatly one-sided differences between the branches--when the profitability of an enterprise is largely determined by its belonging to this or that branch--profitability cannot be identified with efficiency. This type of production price system is unable to measure the efficiency of enterprises belonging to different branches against one another, and this fact further contributes to the gap existing between efficiency on the national and the enterprisal level.

Lasting Transformation

Thus, the situation that was created earlier and became permanent and inflexible during the 1970s is quite grotesque: The disproportionate prices of the various branches brought into existence extreme differences in the profitability of the branches, which are subsequently smoothed out by central authorities that rearrange the incomes. The prevailing price structure makes redistribution necessary, because without it agriculture and the service industries would be unable to amass any capital accumulation, and the nation's economy could not operate.

What explains the fact that, while manufacturing incomes are decreasing and those of agriculture and the service industries are slightly increasing, the proportion of accumulation shows a balance in favor of manufacturing? It has already been mentioned that income redistribution takes care of the differences in the producing price system. However, this redistribution is not comprehensive. It can be stated that in the course of accumulation those branches enjoy advantages that produce the income for redistribution, while on the other hand those branches whose accumulation is financed by resources created in other branches, will be at a disadvantage. (It has been frequently claimed in arguments on behalf of increasing industrial investments that income-production is concentrated in the industrial sector. This type of argument is particularly effective at times when periods of restricted accumulation opportunities are followed by upswings.) Thus, the circle is closed, demonstrating that, in spite of appearances, those branches are in the most advantageous position from which the central budget takes away the largest amount of money, and those which receive their resources from the budget are disadvantaged.

How did the situation change with the introduction of competitive price development? As a result of adjustments made because of the prices obtainable abroad, the prices in the processing industry have decreased significantly; thus, in their case, the inequalities have been moderated somewhat. Consequently, the income produced by the processing industry decreased. At the same time, the volume of national accumulation remained more or less constant, thus the requisite income had to be produced by some other segment of the economy. Since price changes have been basically limited to industry, the choice was limited to the branch producing primary materials, in which, owing to the pricing principle following imports, prices, and thus incomes, increased in an extraordinary manner. In the meanwhile, the structure of accumulation has not changed much, and this provided opportunities for further expansion in the scope of income redistribution.

In summary, it can be stated that the intra-branch structure of accumulation, prices and income redistribution are closely intertwined and mutually influence each other; they can only be altered in a lasting fashion, if we consider the mutual influence existing between them. If we wish to close the gap between the degree of efficiency on the national and enterprisal level, if we wish to change the structure of our economic life in a positive manner, we need to implement just such lasting changes.

12588
CSO:2500/34

BAKA DISCUSSES 1986 CREDIT PLAN

AU021332 Warsaw TRYBUNA LUDU in Polish 28 Nov 85 pp 1, 2

[Report on speech by Wladyslaw Baka, president of the Polish National Bank, at the 27 November Warsaw Session of the Sejm]

[Text] W. Baka discussed the government draft resolutions on the credit plan, on the balance of the population's incomes and expenditures, and on the principles of fiscal-credit policy in 1986: the main theses of W. Baka's speech are:

-- Of the overall amount of the planned increase in loans of Z1.1 trillion some Z800 billion will be used by enterprises to finance their activities.

-- Most of investment funds will be committed to financing central investments and cooperative housing construction. For the first time since 1983 the banks intend to increase loans to enable enterprises to finance their own investment, mainly those that help increase production and promote technological progress.

-- Loans to develop the food economy and to protect the natural environment will be increased.

-- The loans to promote housing construction will be greatly increased. The bank shares the view of the national trade union federation that crucial changes should be made in providing loans for housing.

-- Active and clear loan policy will be pursued in 1986 vis-a-vis economic units and will be based on the criterior of effectiveness.

-- It is assumed that the population's incomes will increase 14 percent and will amount to Z7.185 trillion and that expenditures will increase about 17 percent and will amount to Z6.735 trillion. Wages in the socialized economic will increase 14 percent, social benefits almost 25 percent (90 percent of this increase will go to increase all kinds of pensions), and the incomes of private farmers will increase 9 percent through sales of their produce.

-- The value of goods supplied for the population will amount to Z5.31 trillion and will be by 16 percent higher than in 1985.

The balance of the population's incomes and expenditures is tight but feasible and attests to efforts to restore the money-market balance.

/12624
CSO: 2600/156

VADUVA HAILS CEAUSESCU'S ECONOMIC POLICY

Bucharest VIITORUL SOCIAL in Romanian Sep-Oct 85 pp 407-414

/Report read by Prof Dr Ilie Vaduva, rector of the Academy of Economic Studies, at the Scientific Session arranged as part of the "Economic Academy Days," on the subject of "The Ceausescu Era. Twenty Years of Romania's Socioeconomic Development and the Prospects Anticipated by the 13th RCP Congress"/

/Text/ The 20th Anniversary of the Ninth RCP Congress, in review of the great progress made and in the bright outlook for Romania's socioeconomic development in conformity with the 13th Party Congress' decisions, graphically illustrates the correctness of the RCP's policy and the profoundly scientific and realistic originality of Party Secretary General Nicolae Ceausescu's conception of the present and future of Romanian society.

The great gains in the period inaugurated by the Ninth RCP Congress are inseparable from Nicolae Ceausescu's prodigious activity performed with a profoundly creative spirit, revolutionary enthusiasm and fervent patriotism. Over those 20 years, the period that has gone down permanently in Romania's awareness as the "Ceausescu Era," the Romanian people under the wise leadership of the man identified with the nation's socialist and communist future obtained the most productive results in their entire history. Thanks to the revolutionary reforms of those years Romania is now a country with a strong modern industry, a socialist agriculture in full progress, an extensive scientific, educational and cultural development, a rising standard of the people's material and cultural civilization, and an unprecedentedly high international prestige.

Actually the energy going into this undertaking, which has radically changed the living and working conditions of all residents of these ancestral regions regardless of nationality, is included in the dialectical viewpoint that Nicolae Ceausescu has lent the whole process of building the new order, which is planned and implemented as a continuous revolutionary process because what we have accomplished and what we intend to accomplish are always closely coordinated.

The heart and soul of this truly revolutionary-constructive undertaking are based on the exceptional thought and work of our great leader and an intensive and in-depth knowledge of the vital necessity of building socialist society on Romanian soil with the people and for the people.

The originality, permanence and proportions of this uplifting task, unprecedented in the Romanian people's history, stem from Nicolae Ceausescu's powerful capacity for revolutionary and dialectical-materialist scientific thought and invention based upon in-depth knowledge of the objective laws and regularities of socialist construction and contemporary socioeconomic development and upon constant consideration of the internal and international conditions that experience proves to be present and long-range trends.

The mechanism of the national economy as a planned and purposeful manifestation, on all levels of the national economy, of the capacity of the members of society as owners, producers and beneficiaries of all that is created in Romania is one of the major problems treated and resolved in Nicolae Ceausescu's constructive revolutionary work.

The points made in the Report to the Ninth RCP Congress concerning the compatibility of the law of planned development with the law of value in socialist economics and the planning by the 1967 National Party Conference of a series of measures to improve planning and management of the national economy as well as Romania's regional-administrative organization are graphic evidence of the importance the RCP general secretary attaches to determination of the best mechanism for the Romanian national economy that will secure rational distribution of the social labor resources and their expenditure to the greatest socioeconomic effect.

The start, pursuant to the decisions of the Plenum of the RCP Central Committee of March 1978, of a new mechanism of the Romanian national economy based on workers self-management and economic-financial self-administration is the result of a regular dialectical intensification of scientific knowledge of the objective requirements for building the new order and the internal and international socioeconomic facts. It is also the result of eliminating all that is outmoded and unsuitable and consistently promoting the ways and means to effective, fundamental and lasting solutions to the great problems of implementing the RCP Program for Building the Fully Developed Socialist Society and for Romania's Advance Toward Communism.

The RCP's interpretation of the national economic mechanism as a purposeful means to balanced operation of the economic system as a whole and of each and every subsystem on the basis of compatible criteria and terms for harmonizing the interests of the economic subjects enabled it, especially after the Ninth RCP Congress, to devise and establish the most suitable organizational and administrative structures, means of evaluating the outlays and results, and economic-financial, social-financial and social-political levers to encourage rational expenditure of resources and to involve the masses in social management.

In the party general secretary's view the socialist economic mechanism is based objectively upon the requirements of the economic laws governing socioeconomic development as well as the specific historical conditions in Romania at each stage of socialist construction,and the way the national economy is related to the world's economic interdependences. Reflecting the party general secretary's original conception of the particular way the workers' threefold capacity (as united socialist producers, joint owners of the production means, and beneficiaries of all socioeconomic development) is manifested, the national economic mechanism is characterized by the economic base of socialism, all social and production relations, and the way they interact with the nature, level and requirements of the productive forces' development and with the superstructure of society. That is why, in the party's view, the national economic mechanism is designed and constructed on the basis of a set of fundamental principles concerning the Communist Party's leadership throughout society, the socialist state's uniform coordination and direction of all socioeconomic development according to the Unified National Plan, democratic centralism, workers self-management and economic-financial self-administration, more effective socioeconomic activity as a whole, material incentive and regional self-supply.

The RCP feels that correct formulation of the principles of scientific social management, determination of the standards set by observance of each one of them in socioeconomic activity, and consideration of the dynamic interdependences generated by their system are exceptionally important in determining the best ways and means of regularly refining the social and production relations and promoting workers' participation in social management in accordance with the characteristics of the productive forces' development.

So that the national economic mechanism will secure the normal course of the economy, the party secretary general believes the fundamental principles should be applied in accordance with the evolution of all the interacting technical-scientific, socioeconomic and internal and external political factors, wherefore their constant improvement becomes a basic law of steady, all-around progress. In the course of those objective determinations, the RCP took realistic and consistent measures to develop the leadership of the party on a scientific basis and to make the party the vital center of all society, while strengthening uniform management of the national economy according to the Unified National Plan for Socioeconomic Development and creating a broad democratic structure for the workers' purposeful participation in social management.

In the new stage of socioeconomic development, the complexity and difficulty of the problems presented by experience as well as the need of increasingly extensive and active involvement of the members of society in finding the most suitable solutions led the RCP to substantiate, at the 13th RCP Congress, the new dialectical unity between reinforcement of uniform management on the basis of the Unified National Plan,with development of the party's leadership, and the workers' greater initiatuve and the greater autonomy of the primary units of the national economy, reflecting the dynamic interaction of personal with collective and general interests and of current with long-range interests.

Based upon these fundamental principles of scientific social management, the national economic mechanism must permit scientific, realistic and timely knowledge of the national economy's needs and potentials so that the useful results of economic activity and the socially necessary outlays to obtain them can be planned.

Since the results of economic activity must meet the needs of productive and nonproductive consumption and the social labor outlays to obtain each unit of useful effect must be kept within the limit that society can accept as a socially necessary norm for each stage, the outlays and the results of economic activity must be measured with appropriate economic indicators to reflect the state of economic effectiveness correctly. Although the gross, final, newly created, net and physical economic effects have objective determinations within each productive activity, the party general secretary considers the physical, final, newly created and net ones essential. Thanks to this realistic scientific conception, the improvements that were made in the system of economic indicators for planning and checking results now permit concentration of enterprise activity upon what is essential from the standpoint of the vital interests of society and of every individual.

Moreover in Nicolae Ceausescu's view the economic mechanism must secure the balance of socioeconomic development among sectors and regions and on the microeconomic and macroeconomic levels. The correlations and proportions that define and determine the dynamic structural balance of socioeconomic development are the ratios between the raw material and energy base and the requirements of the national economy, between the output of producer goods and that of consumer goods and services, between industry and agriculture, between the import requirements and the possibilities of covering their costs by means of exports, etc.

In this connection the party general secretary pointed out that unity of the national economy on the scale of all its subsystems and subjects, as determined by common ownership of the production means, provides only the objective prerequisites for planned management of the national economy. The essential consideration is to base upon them the rates and proportions of socioeconomic development among the sectors and regions that will secure the compatibility in time and space of the subsystems of social production with the natural-material and value aspects of plan fulfillment.

This view means that the balance of national economic development will be based on coordination of the aims of the economic policy for the first stage with the existing resources, proper proportioning of the subsystems of social production, and on use of an economic mechanism that can harmonize current with long-range interests throughout society as a whole.

This meets one of the essential requirements for the economic balance, namely actual coverage of the aims of socioeconomic development with the existing or planned natural-material and human resources at a level of efficient use of the production factors that is socially permissible for the given stage. On the basis of the norms for consumption of raw materials, materials and fuels and those for personnel, the Unified National Plan for Socioeconomic Development provides for the proportioning of the balance and correlation of its proportions in accordance with the real possibilities of maintaining them over a period of time. In the strategy of the RCP's economic policy this objective process is intended to progress in keeping with the requirements for saving time. Conservation of live and materialized social labor is the essence and the best measure of the effectiveness of social production and the absolute law of the evolution of the Romanian socialist system that essentially and permanently determines acceleration of socioeconomic development and the fullest possible satisfaction of the requirements for productive and nonproductive consumption.

This objective criterion on which the balance of development is based is valid only if the results of social production are coordinated with the real requirements for productive and nonproductive consumption quantitatively, structurally and qualitatively, both being viewed as society's needs and possibilities develop. In their unity, these terms of the balance provide both for the prerequisites for socioeconomic development and for the social purpose of production.

Accordingly, greater efficiency is one of the basic functions of the economic mechanism in Romania, and the whole balanced operation of the national economy as a whole and of each and every subsystem is subordinated to it.

This essential function of the economic mechanism, asserted in a broad view by the party general secretary at the National Party Conference in 1967 not only for the national economy as a whole but also for every sector and subsector, every economic unit, every production factor, and for every individual product and job, is the essence of the entire process of operating and improving the mechanism for managing and planning social production.

In accelerating the growth of economic effectiveness, the economic mechanism is expected to consistently promote the introduction of the latest scientific and technical advances in all socioeconomic activities. As Academician Dr Eng Elena Ceausescu said, any technical measure and any technological improvement must be evaluated in terms of greater labor productivity, lower material outlays on production, and better product quality, and the 13th RCP Congress accordingly based Romania's intensive development upon introduction of the latest scientific and technical advances in lasting support of the programs on behalf of labor productivity, reduction of material outlays, and technical and qualitative improvement of the products.

As the basic element upon which the balance of progress depends, greater economic effectiveness is the sole criterion for correlating vitality with stability in the process of improving the operating mechanism of the national economy.

If increased economic effectiveness is to become the support of intensive development, the economic mechanism must harmonize personal, collective and general interests as well as the current and the long-range ones on the basis of a system of objectively determined priorities for each stage of socialist construction. In practice this basic function is performed by means of a set of economic-financial levers designed to operate as a single adjustable whole. Price, wage, profit-sharing, credit, finances and workers participation with social shares are only a few of the economic-financial levers the RCP has designed to permit the economic mechanism to perform its incentive function. Arrangements on the economic principles of prices in all sectors of the national economy, in proportion to the social outlays on production, as prerequisites for securing a normal profitability and for the operation of economic-financial self-administration,as well as dependence of all workers' incomes upon the actual results obtained through the intermediary of better forms of remuneration such as the overall contract system, are just a few of the measures taken in the years since the Ninth Party Congress for the greater incentive of the economic units and workers to fulfill the plan tasks with high economic effectiveness.

Nicolae Ceausescu has frequently pointed out that if the economic mechanism is to perform this function, it is essential for labor productivity to increase faster than workers' incomes in order to actually cover the allocations for raising the living standard with goods and services (in the appropriate quantities, assortments and quality) and for prices to evolve within the planned limits, in proportion to the evolution of the social outlays on production and the gain in purchasing power of workers' incomes. The party general secretary points out that if this basic correlation of the economic mechanism (productivity-incomes-prices) is to evolve in keeping with the requirements for balanced development, These terms of the balance, with which socioeconomic development in the Romanian system begins and ends, were set by the general secretary from a realistic and broad historical and political viewpoint in the interests of the entire people's progress and prosperity and in conformity with the demands of independent development in a world of growing interdependences.

Accordingly, by placing the outlays of raw materials, fuel, energy and manpower to obtain national income on a scientific basis the real requirements are met for setting the proportions of accumulation and consumption according to the objectively determined needs and the actual possibilities of covering them with competitive effectiveness. The allocation of about 30 percent of the national income to accumulation and about 70 percent to consumption in the 1986-1990 Five-Year Plan means that if development is to be balanced, less and less material, financial and manpower resources can be expended to obtain every unit of national income, so that in time the effect must exceed the investment to obtain it. It is on this strategy that the 13th Party Congress based socioeconomic development in the next period, when emphasis upon the qualitative, intensive factors for effectiveness and competitiveness becomes the first economic law of Romania's steady all-around progress, securing the advance of the Romanian economy under the new internal and international conditions and enhancing its capacity to concentrate and focus its own forces on consolidation of the balance of independent development.

The fact that Romanian industry will be developed primarily by intensive expansion of the qualitative factors for economic growth is also vital. For example, the doubling of labor productivity in industry in 1990 from 1980 most graphically reflects the fact that the growth rate of that sector is based on the qualitative and intensive factors for economic growth. As Nicolae Ceausescu pointed out at the Joint Plenum of the National Workers Council and the Supreme Council for Economic and Social Development, "The next five-year plan and accordingly the provisions for 1986 accentuate intensive development of industry and the other sectors and achievement of a new quality of work and life. The 1986 plan ushers in the new stage of socialist revolution, which is critical for the RCP Program for Building the Fully Developed Socialist Society and for Romania's Steady Advance Toward Communist Society."

Moreover reduction of energy consumption per unit of national income by at least 20 percent and reduction of the proportion of material outlays in the social product to 53 percent, accompanied by a 60 percent gain in productivity and a 27 percent better use of raw materials, fuel and energy while the technical and qualitative levels of the products are raised to meet world standards, will be the real support for striking the balance under intensive development in 1986-1990.

The party general secretary believes implementation of the mechanism of the new balance between needs and resources both by expanding the domestic raw-material and energy base and by conserving every resource in order to meet the requirements at increasingly high quantitative and qualitative levels will be supported primarily by the qualitative progress of all the production factors.

Realizing that the basic and lasting means to balanced socioeconomic development lies in efficient expenditure of the social labor resources, Nicolae Ceausescu envisaged the operation of the economic mechanism in correlation with the rational socioeconomic, technical-scientific and ecologic standards of our time. (1)

the standards set by the principles of workers self-management and economic-financial self-administration must be fully observed in all economic units.

The fact is significant here that the party general secretary believes the economic mechanism operates in the unity of the broad democratic organizational structure created by all workers' participation in organization and management of all socioeconomic activity with the system of economic-financial levers and methods of forming and indoctrinating the new man, so that all its components will be correlated and combined in an optimal system for applying the entire people's unity of thought and action to steadfast implementation of the RCP's policy of building the fully developed socialist society and Romania's advance toward communism. And he accordingly believes the battle must be won for the highest possible economic effectiveness, which will become essential to accelerated development of the Romanian national economy and to a high material and cultural living standard for all workers.

The party general secretary's scientific, innovating conception of further improvement of the operating mechanism of the national economy is an excellent indication of the high humanism with which our reknowned leader, who has made serving the Romanian people's highest aspirations the supreme goal of his life as a militant revolutionary and an ardent patriot, constantly thinks and acts.

It may be said quite rightly and with patriotic pride that this magnificent revolutionary-constructive work, boldly open to the future and with roots deep in the socioeconomic and political facts and in the glorious age-old past of the Romanian people, which the RCP general secretary and president of Romania has been creating day by day and hour by hour, is the highest expression of patriotic responsibility for the Romanian people's future, for their progress and prosperity in peace and quiet, and for their independence and sovereignty that has been known on Romania's ancestral land.

FOOTNOTE

1. Nicolae Ceausescu, "Speech at the Joint Plenum of the National Workers Council and the Supreme Council for Economic and Social Development," Bucharest, Political Publishing House, June 1985.

5186
CSO: 2700/30

ARTICLE HOLDS SOCIALISM RESTRICTIVE OF JOINT STOCK COMPANIES

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 30 Sep 85 p 9

[Article by Vladimir Gligorov]

[Text] What is the essence of socialism? Social (national, government) ownership? Then money would have to be abolished. Public investments? Then savings would have to be prohibited. Planning? Then exchange on the market would have to be prohibited. Socialization of production? Then small business would have to be prohibited. Taking command of the surplus value of labor? Then the collection of interest would have to be prohibited. If we were to go all the way down the line, the ideas of socialism would more and more contradict socialist reality. Everything that socialism ought to replace exists in one way or another in the socialist regimes. Not, of course, if the ideas are without influence. Some things have been prohibited. As a matter of fact, the essence of socialism is seen in prohibitions, not in freedoms.

For example, why is the establishment of joint stock companies not allowed? Put differently, why do socialist economies rely solely on credit? I would like to point to two reasons which I believe will illustrate the negative essence of socialism referred to. The first is evident at once. Shares of stock are a commodity, and they require a market. And open-air produce markets, supermarkets, department stores, wholesale and retail trade, and indeed even the banks--are those not markets? Without a doubt. Let us take different analogies in order to see why the marketing of stock shares has a bearing on their prohibition. A foreigner could invest directly in our enterprises. That would cause problems, which to some extent is in fact natural. Nevertheless, foreign capital is needed, and we are gradually making it easier for it to be invested. It is also possible for us to build up savings in foreign currencies (and indeed even to use them to obtain credit). Foreign exchange is necessary, so we encourage people to save it. But that is an exception rather than the rule--a necessity rather than a principle. Incidentally, the market for foreign exchange lies outside our borders, but foreign currencies can always be bought up, since they are in our banks. So, either foreign or under control. If a stock exchange were opened, the exception would become the rule--the principles would have to change. And control would be unfeasible or more difficult. The market stands in opposition to socialist principles, that is, to those principles on which the socialist regimes are based. It is allowed when it is useful, but it is not allowed to become independent.

Which brings us the key issue related to the market. Many people think that legalization of the market is not important, since it exists in any case, and it has not been altering the "essence of socialist power." Then there are others who believe, and some who indeed fear, that complete acceptance of the market will alter the very essence of socialist power. In my opinion, both conceptions are mistaken. Let me try to show this in the following way. One school says: the law of value must operate under socialism; the law of value contains the money-exchange economy; the money-exchange economy contains the market; the market contains all the rest. But that is not so. The law of value and the money-exchange economy may be elements of a planned system. The factors of production can be classified by profit rate, and all transactions can be made with money. And still there is no market. The market is an institution.

It is not enough to opt for the law of value and a money-exchange economy for the market to exist. Incidentally, the market exists in reality even in the face of the planned economy (the black market, the gray market, the white, the red, or some other color). The market is an established form of exchange, which occurs at a particular place and involves adherence to certain rules. It cannot be directly monitored. The black market is allowed, since its illegality is kept under control. Various forms of the consumer goods market are allowed, since control of the factors of production guarantees that they will not be independent. A stock market can neither be controlled nor monopolized in a simple way. The market is an independent social institution. The essence of socialist power is restriction of independent social institutions. Which accounts for the resistance toward the market and especially toward a stock market. Whereas the usefulness and dependence upon the government can be demonstrated in the case of other markets, the market of factors of production requires adoption of a new principle: the usefulness and justifiability of independent social institutions. And that alters a part of the "essence of socialism."

Another reason for prohibiting shares of stock points to another aspect of the essence of socialism. Why is it that banks can exist, but not a stock market? Why credit, but not shares of stock? Because the banks are ours, and the stock exchange is not. Banks provide a quite definite form of control. On the one hand the government, on the other associated labor, and even independent banks cannot but do the bidding of those who control them. At this point we run into illusions. Control through money is not so simple. The lack of financial discipline in the socialist economies provides clear confirmation of this. What is more, even if financial discipline were provided for, nothing guarantees that it will contribute to real discipline. Socialism faces a dilemma in its financial system. The functions of money, credit and the banks must be restricted in order to guarantee control. Yet if they are restricted, the banks are taken over by the debtors (the government or associated labor). In the first case credit is used only for transactions, and it has no impact on the actual allocation of the factors of production and there has to be wastefulness. In the latter case the result is the lack of financial discipline. This is where the error is. Socialist rule wants to use credit as a means of control, but this is almost unfeasible. Shares of stock on the other hand offer the possibility of financial discipline and financial freedom and they promote the optimum allocation of the factors of production. They also promote the independence of the banks. But they slip out from under the control of the government, that is why they are prohibited.

7045
CSO: 2800/19

ECONOMIST DISCUSSES USE OF SOCIAL FUNDS IN PRESENT SYSTEM

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 11 Nov 85 pp 20-23

[Interview with Miroljub Labus, associate professor of political economy in the Law School of Belgrade University, by Mijat Lakicevic: "The Price Is the Key Problem"; date and place not given]

[Text] In the opinion of Miroljub Labus, associate professor of political economy in the Law School of Belgrade University, private and collective ownership, the two basic historical forms of ownership, differ from one another in six elements. The first difference is in the identity of the owner, and the second in the number of entities holding the powers of ownership, the third element of difference lies in the interests realized through use of the property, the fourth lies in the attitude toward personal ownership, the fifth element of difference between private and socially owned property pertains to the risk or the sanction of ownership, and, sixth, the element of normativism, that is, the role of the state. It seemed to us most suitable in view of the current socioeconomic situation and the discussions which are taking place to begin the presentation of our interview with the last two.

EKONOMSKA POLITIKA: What is it that distinguishes private property from our form of social ownership with respect to business risk on the one hand and the role of the state in defining ownership on the other?

Miroljub Labus: The first thing I would like to say here is to point out the need to free the discussion of ownership of all ideological veils, prejudices, and mystification. Every form of ownership has its advantages, but also its defects, and that is why we need a concrete and precise economic analysis so that they might be ascertained and so that the building being erected would be as stable as possible.

Under capitalism there are three forms of enterprises: first, there are private establishments, small business, then there are partnerships, and third, there is the corporation which is based on stock ownership. In this latter form there are three principals somehow connected together. They are the workers, the entrepreneurs, and the owners. The workers receive a wage according to the price which forms on the market for manpower. There are no fluctuations in the level of the wage, but employment is not guaranteed them. As soon as profits begin to fall, the capitalists do not pay lower wages, but lay the workers off. Second, businessmen who run the joint stock company receive compensation which is actually a share in the profit. They are not guaranteed employment security either, since as soon as the profits begin to fall, they lose their job, but not their income, since it is related in a particular way to the success of the enterprise. Finally, the owners receive dividends in the form of income from property. If the capitalist enterprise does well, it realizes surplus profits, and those surplus profits also go to the owners indirectly, since on the stock market the price of their stock automatically rises, which means an increase in the value of capital. But if the enterprise does poorly and earns low profits, once again through the capitalization of profit, there is a drop in the value of capital, so that the owner then has a capital loss. What am I getting at here? The workers and the businessmen do not bear the risk of ownership, that is borne only by the owners. The government is outside this situation, and it merely regulates monopolies and prohibits the abuse of private ownership.

In our country the situation is altogether different. First of all, the status of self-managers guarantees job security to those who are employed. When work collectives incur losses, they reduce personal incomes, but they do not lay the workers off. Still this is a kind of risk, although still not the risk of an owner. The risk of the owner ultimately falls on collective ownership, that is, on society as a whole, since the workers do not have the powers of ownership with respect to socially owned resources. After all, you see, in our country there is no market for social capital so that its value might be determined in the form of stock through the capitalization of profit. In our country there is a system of amortization of the purchase value of social resources. Socially owned resources are acquired at a particular price, their value has to be adjusted for the level of the rise of prices (we will not go into the fact that in our country this is done poorly), and the workers must reimburse the value of resources invested. Now where is the government in this case? It not only prescribes what cannot be done, but it also orders what must be done with collective property in the name of some sort of general interests. There are several channels through which those restrictions on collective ownership are implemented in our country. First of all, the government orders that socially owned resources must be used in keeping with their purpose. The second legal restriction is that work collectives must maintain the value of socially owned resources. In practice this is achieved through the legally established minimum rates of depreciation.

The next restriction is that work collectives must accumulate a portion of income, that is, they must not only maintain, but also augment the value of the socially owned resources. By contrast with the previous obligations, this one is specifically introduced through social compacts concerning the distribution of income. Finally, certain elements of external accumulation (legally required pooling of resources for social reproduction, republic and opstina reserve funds, and so on) are introduced.

EKONOMSKA POLITIKA: Why is it that the state regulates the disposition of collective property to such an extent, is it because it assumes that private property will be disposed of optimally, but in the case of collective property, since it is "no one's," the government must force those who work to use the resources optimally?

Labus: No, it is a consequence of the need to regulate the relationship between general and individual interests, since the general interests need not automatically be realized through the individual interests. That is why someone must regulate the realization of the general interests. The general interest might be, say, achievement of full employment or equalization of economic development or achievement of a certain rate of economic development, and so on. However, in the case of private property, since private interest is the basic one, the government defends the general interest by setting the limits to which the private interest can go. Here, of course, by private ownership we mean the market on which there is a competition among private interests. But competition among private interests does not mean, as Adam Snith once believed, that the invisible hand of the market brings about the realization of the general interest, but rather sometimes the general interest can be achieved through their competition, while in other cases it cannot. And then the government figures as an institutional obstacle prohibiting the realization of the private interest insofar as it is contrary to some general interest.

EKONOMSKA POLITIKA: At this point one often hears the criticism that social ownership, as the foundation of the socialist societies, is one of the most essential, if not the most essential, causes of their lagging behind. And second, would social ownership yield different and better results under the conditions of a market economy than in a planned administrative economy. To what extent are the causes of that inefficiency and lag in social ownership, and to what extent in the (centralistic) management of the economy?

Labus: You have actually mentioned two causes in your question. One cause of the lag of the growth rates in the socialist countries has to do with inappropriate regulation of the concept of ownership, while the other is related to the market and to the organization of society, that is, to the coordination of economic entities. As for social ownership, the old objection in theory is that social ownership is inefficient. There was a great debate about this in the thirties and forties. Hayek was on one side and Lange on the other. Lange argued that government ownership, which eliminates the market for resources, could also be an efficient form of the organization of an economy provided there is a commodity market and a labor market. That debate and similar arguments arose again in the seventies, although this time the objection was not addressed to the Soviet economy as it had been previously, but it was said that the Yugoslav form of social ownership did not guarantee efficient use of resources. That is the well-known Furobotn-Pejovic effect. What this means is that if the workers create accumulation and invest in their own work collective, they have an obligation to amortize the resources invested, which means that that portion of accumulation or invested capital will never become part of their personal incomes. In future they can increase their personal incomes only out of the yield from that investment. On the other hand, if they commit that portion of resources to personal incomes instead of accumulation, then they could invest that portion in the bank and receive interest. But when the term expires for which the resources have been deposited, they not only draw interest in the interval, but they can also get back their entire principal. The obligation of amortization does not make it possible for them to obtain the principal, and it is felt that work collectives are less motivated to invest, since for them to invest the project must have far higher yields than under normal circumstances. Since there are few such projects, there are strong forces for underinvestment.

Regardless of certain defects, this criticism has taken hold of a dilemma which really does exist in our country. However, the real problem is that the charge for the use of social resources is very low, so that every investment brings a yield which is larger than that charge. So the workers are in practice stimulated to invest in their own work collective, which brings about an effect which is referred to as the bias of capital toward investment.

EKONOMSKA POLITIKA: That is also a cause of the autarky of economic entities.

Labus: That autarky has its rational economic basis. Since the price of socially owned resources is low, the yields from their use, however small they may be, are higher than that price, and instead of the socially owned resources going where their use is the most optimal, they are invested within the same work collective. That autarky causes on the one hand a lower level of employment, and on the other suboptimal use of socially owned resources--and when you have inefficient use of social resources, you always have a problem with accumulation, since there is never enough. It is obvious, then, that the general interests cannot be achieved, since individual interests oppose them, and there is no economic mechanism to reconcile them.

	Industry		Economy	
Indicator	Serbia	SFRY	Serbia	SFRY
Interest paid relative to income	19.71%	20.57%	16.22%	17.68%
Interest collected relative to income	5.34%	5.51%	10.84%	6.74%
[Line 1 - Line 2]	14.37%	15.05%	5.38%	10.96%
Interest paid relative to average social resources employed	6.44%	6.34%	5.52%	5.45%
Interest collected relative to average social resources employed	1.74%	1.70%	3.69%	2.07%
[Line 4 - Line 5]	4.70%	4.64%	1.83%	3.38%

The payment of a charge for use of socially owned resources is one of the elements of the economic definition of social ownership. If a portion of accumulation is collected externally into a particular fund and new work organizations are established from that fund which will employ unemployed workers, that would signify an altogether definition of social ownership. According to the present definition of social owenrship, the effects by virtue of the institution of the owner are realized solely through the property of the work organization. If external accumulation did exist, that is, if it were effectively institutionalized, that would presuppose payment of a charge on the use of social resources. We abolished the general investment fund, and today it is pointless to advocate the introduction of that kind of general investment fund in view of the nature of our federation. However, a general investment fund at the level of the Republic of Serbia, for example, is an altogether acceptable solution. The task of that fund would be to facilitate access to social resources. Its purpose would be to establish new work organizations which on the one hand would solve the problem of employment, while on the other it would provide allocation of manpower in the context of a self-managed economy.

EKONOMSKA POLITIKA: But wouldn't it be more logical and appropriate for a market economy for the work collectives to be put in the position of themselves creating new jobs, of investing in new factories themselves, and themselves taking care to invest their resources optimally and productively?

Labus: I think that there are several reasons why that cannot be achieved. The first reason is that unemployment is a macroeconomic problem, and microeconomic entities cannot solve it. The worker should not be glorified along those lines.

EKONOMSKA POLITIKA: I was not thinking that they would solve the problem of employment out of some kind of human sympathy or who knows what, but because they want to invest their resources in a production operation that would bring them some earnings, some profit.

Labus: Let us go back to what you said about why they themselves would not increase employment instead of establishing a new work organization. Work collectives are motivated, say, to maximize the gross personal income per worker. And when there is a shortage of the supply relative to the demand, prices are high, and then income is high, as are personal incomes. Why would the existing enterprises not increase their output at this point? That is against their interest.

EKONOMSKA POLITIKA: But a new enterprise will come into being.

Labus: But that is a different matter. The work collectives themselves would not establish an enterprise which will be their competitor. Since they will not do it, then someone else has to do it.

EKONOMSKA POLITIKA: But perhaps it will be done by the workers from other economic sectors. For instance, if some work organization is engaged in agriculture, but it sees that tourism is more lucrative, it could invest its resources to build a hotel.

Labus: They would have the motivation to do that if they could invest those collective resources in another work collective and derive a high return. However, when they pool their resources, they can never require such high yields, especially in the context of inflation. It pays them to invest in another work organization if all the yields from social resources come back to them, which means that the workers in the new work organization would not share in profit, but would have only their personal incomes, which would depend on their productivity. Then a conflict of interest arises, since the new work collective also demands some share in the above-average income which is the result of use of those resources. The existing work collectives would be motivated to invest internally or outside if they could appropriate all those yields. Since they cannot, they do not have the motivation. We should not ideologize the self-managing economy. It has its advantages, but also its drawbacks. We want it because of its advantages....

EKONOMSKA POLITIKA: I am afraid that the drawbacks are greater, at least judging by the situation at the moment.

Labus: But wait, whether the drawbacks are greater or not does not depend on the work collectives, but on how the economic system has been conceived. If it is conceived on the basis of the idea that a self-managed economy is the most ideal system, a system that generates only constructive results, then that kind of system has to have very bad performance. One must be objective and sober in looking at the self-managed economy. The workers as self-managers and work organizations as self-managed commodity producers have certain advantages, but there are also defects in their behavior. They are the ones that we have already mentioned: exclusiveness and inefficient use of social resources. If these defects are examined objectively, it is possible to make an economic system which will eliminate them. That is, leave the work collectives to be self-managing commodity producers, but reduce the negative effects in the conduct of their business.

EKONOMSKA POLITIKA: How?

Labus: That is exactly what I am going to talk about. The allocation of manpower over various economic activities cannot be accomplished solely on the basis of decisions of existing work collectives. New work collectives have to be established, and that through the existence of an investment fund. If that fund is to exist, there has to be some rate of accumulation which is paid externally as a charge for the use of social resources, and that fund should establish new enterprises where the supply is less than the demand, and where the prices are high. Those new work organizations should be competitors of those which already exist. That is, I advocate a different system of planning and a different institutionally defined system of social ownership, since the present system of planning does not presuppose either market selection or competition of economic entities. It presupposes the conclusion of self-management accords and compacts, in which every individual interest is legitimate.

EKONOMSKA POLITIKA: And are you certain that that (republic) agency will operate efficiently; our greatest investment mistakes were precisely the consequence of decisions made in political-managerial structures?

Labus: That is not a matter that lies in the economic system, but in the political system. After all, those who make the decisions about the use of republic investment resources have to be under the strict oversight of the users of social resources. That oversight is lacking now, and the political system has to work that out. In every state there must be an economic policy regardless of ownership. And the question might be put of whether you are certain that economic policymakers are doing this effectively. In the economic system there is no guarantee of that. It has to be sought in the political system.

EKONOMSKA POLITIKA: Under conditions like these?

Labus: Under conditions of every sort. That political oversight as to the use of resources does exist, and it must exist even in the case of social ownership. I have earlier advocated that that republic investment fund should have a staff administration and an assembly in which major users of social resources would have their representatives and would annually confirm the policy of the investment fund at assemblies of that fund by secret ballot. If the policy is not confirmed, the staff administration of the investment fund would be out of a job.

EKONOMSKA POLITIKA: If the collectives had those rights, I think that they would be more concerned about where to invest their resources.

Labus: Well, even now the workers are concerned where they will invest their resources, and they always invest them in their own work organization.

EKONOMSKA POLITIKA: I was thinking of the possibility of all the workers employed in a factory having stock in it and then receiving a portion of their earnings as owners, through their share in the profit earned.

Labus: That could work even without stock. Now I will tell you something which is well known in theory, although not so widely. Our system of self-management is not the only one operating in the world. At one time we were very efficient, and everyone was making references to our system. Today there is another system which is more efficient than ours, but it is based on self-management. This is the system of production cooperatives, and the largest system of those cooperatives is in the Spanish Province of Basque, in the city of Mondragon. It has over 20,000 members of production cooperatives, and in addition to the production cooperatives there are also service cooperatives and indeed even a cooperative bank. On what principles does this function in that environment? In our country the workers, as we have said, do not share in the property risk. However, in the production cooperatives in Mondragon the owner's risk is divided. When a worker is hired there, he must purchase his job by paying 10 percent of its value, while the other 90 percent is financed from collective sources of the production cooperatives that already exist, from credit, and from certain government loans. If a worker does not have the cash, he borrows those resources from his future cooperative, and then he must repay it out of his personal income over a period of 2 years. This founding share of the worker is divided in such a way that 25 percent becomes collective property and goes into the reserve fund, while 75 percent remains his personal or private property, and that 75 percent is kept in what is referred to as an internal capital account. The average personal income in the cooperative has to be equal to the average wage earned on the capitalist labor market, and the wage spread can go as high as 1:3. The worker's second source of personal income is his individual internal capital account, on which 6 percent interest is paid every year. Moreover, that individual account is revaluated every year by the rise in the standard of living, so that its real value is preserved. What happens if losses occur, how is the owner's risk divided? Up to 30 percent of the loss is covered out of the collective reserve fund, but beyond that the losses are charged to the individual capital accounts, that is, they are charged to the property of the cooperating members. The property risk, then, is divided between the property of the individual and the property of the entire collective; this is a form that links together collective and private ownership, and the risk is divided accordingly. Our workers, however, do not have ownership rights over socially owned resources, but at the same time they do not bear the risk of owners either.

EKONOMSKA POLITIKA: How in our context is the efficient use of resources to be guaranteed, not only under such conditions as we have now, but also through some possible change of the features of the system?

Labus: It should first of all be understood that if we want market socialism, and in principle we do, there cannot be a market socialism with just one market--the commodity market. Since I believe that the labor market cannot function well under our conditions, this means that a market of social resources has to be allowed in some way. I am not advocating that the present banking system, interest and the free circulation of resources through the banks be abolished through the planning system. On the contrary, we should go further in developing that banking system and beyond it a market for social resources. This means that the banks should become independent work organizations doing business on the principle of profitability, that there would be no regionalization of the banks, and that they could go under.

Of course, if the banks do business on the principle of profitability, they will be looking only for those loans where the yield is highest, and we also have a need for other investments. That makes it indispensable to have another planned system as well that will operate through the establishment of new enterprises, the minimal rate of accumulation, and so on.

EKONOMSKA POLITIKA: You mentioned the importance of interest to the price of social resources, so would you please tell us something more about that.

Labus: Today it is very important to clear up relations in the area of interest. That is, the investment projects of work organizations are on the average financed 50 percent from their own resources and 50 percent from external sources. Accordingly, the burden of interest, which now seems very large, is half as great when it is computed on all the social resources being invested. What I am saying is that even today in most cases the yields are higher than the cost of interest. On the other hand interest is institutionally and legally regulated in absolutely the wrong way. Everyone today is complaining about the high rate of interest, but in the first line of the table (figures of the Social Accounting Service for 1984) we see that the share of interest in the industry of Serbia and Yugoslavia was about 20 percent of income, while in the economy the figures were 16 percent and 18 percent. But there is also the interest that is appropriated on the basis of resources which are pooled or placed in the bank (line two). If the two forms of interest are canceled out, the share of interest paid in income would be far lower (line three). However, if we do not cancel out the interest, since interest is paid out of income before net income is formed, while interest being collected goes into gross income, and thereby goes directly into net income. If interest were treated as a portion of accumulation and if this cancellation were done, the share of interest in income would be much smaller, and the burden of interest would also be much smaller. But that is not the end of the story. The last three lines show the ratio of interest to average social resources employed. It is evident from these figures that relative to total social resources the economy possesses interest does not represent any large burden. All of this indicates the extent to which our social resources have not been used efficiently. And now if the efficiency in the use of resources does not rise, but the economy is compelled to pay interest, that is a pure loss, an expense, and in fact just another additinoal burden on inflation and income. That is, even today interest rates are not real, and if we abolish them we have only put back the veil and concealed the inefficient use of social resources.

EKONOMSKA POLITIKA: By way of conclusion let us go back to the beginning; on what scientific premises is your constitutional concept of social ownership based?

Labus: That constitutional concept is elaborated on the premises of the consensus economy or on the premises of the so-called theory of income, which completely precludes all markets except the product market and which sees the allocation of social resources and manpower on the basis of a pooling of labor and capital otherwise than through the market. That concept of social ownership, if I may so put it, is the ownership formula for carrying out the consensus economy that has "finally been found."

EKONOMSKA POLITIKA: The consensus economy has long ago been defeated in scientific circles, but only quite recently in political circles.

Labus: The consensus economy is being condemned by the public as well as by experts and politicians. However, if you look at our real economic and property system, it is still based on the basic principles of a consensus commission, and I argue that this is true not only of those laws enacted previously, but also of those solutions which are now being adopted in order to implement the Stabilization Program. The present system of planning and the system for realization and distribution of income are based on all the principles of the consensus economy. Certain specific final solutions have been changed, but they have not altered the economic mechanism, so that it brings about those solutions on its own. As a practical matter, then, we have normatively imposed that final solution on work collectives, and that is why the consensus economy contiaues to prevail. I am aware that that system has been developing for 20 years and that it cannot be changed overnight. I interpret the present solutions as a house that is half-built. In any case, it is a good thing that we have made a start, but it is still not certain whether we will go forward or backward.

7045
CSO: 2800/67

TRADE UNION LEADER ON RELATION WITH ARAB ORGANIZATIONS

LD131551 Prague CTK in English 1314 GMT 13 Dec 85

/Text/ Prague 13 Dec (CTK)--The deepening relations between the Czechoslovak Revolutionary Trade Union Movement and the General Federation of Trade Unions of Iraq (GFTUI) testify to the positive development of relations with trade union organizations in the Arab world, said Jan Lobersiner, secretary of the Central Council of Czechoslovak Trade Union who headed a delegation on a recent friendly working visit to Iraq.

"Iraqi comrades expressed interest in extending contacts to workers' collectives for the purpose of application of Czechoslovak experience and methods of trade union work. We assume that in 1986 delegations of Czechoslovak trade unionists from the textile industry, agriculture and the construction sector will visit Iraq. The results of our talks in Baghdad include a new agreement on the schooling of Iraqi trade union officials in Czechoslovakia. This will be a concrete contribution of the trade unions to the strengthening of Czechoslovak-Iraqi cooperation, interest in which was affirmed also by the recent visit to Iraq of federal premier Lubomir Strougal," Jan Lobersiner said.

The Czechoslovak trade union movement is expanding its relations with the member organizations of the international confederation of Arab trade unions which, as an independent continental organization, cooperates with the World Federation of Trade Union (WFTU). Since the 10th Congress of Czechoslovak trade unions, contacts have been fruitfully expanded with trade unions in the Yemen People's Democratic Republic, Syria, Libya, Kuwait, Algeria and Tunisia.

/12228
CSO: 2020/48

KECMANOVIC DISCUSSES QUESTION OF NATIONALISM

Zagreb DANAS in Serbo-Croatian 10 Sep 85 pp 9-11

[Interview with Professor Nenad Kecmanovic of the Sarajevo Faculty of Political Sciences by Momcilo Djorgovic: "Hiding Behind Leftist Phrases"]

[Text] Dr. Nenad I. Kecmanovic, a professor at the Faculty of Political Sciences in Sarajevo, is a prominent, involved, and eagerly read author who was concerned journalistically with the problem of republic-provincial etatism even at a time when this was discussed much less openly than today. He is currently working on the subject of inter-nationality relations in inter-republic affairs, as part of a project of the Institute for Inter-Nationality Relations of the Central Committee of the Bosnia-Hercegovina LC, and he is completing the manuscript of a book on "Democracy and Centralism" for the Belgrade publisher RAD. In our conversation, he immediately emphasized that the thesis that "all nationalisms are equally dangerous" is widely misused today. "Everyone seems to have assumed the right to keep some nationalism in reserve -- another's as the alibi for one's own, or one's own as a response to the nationalism of others."

[Question] We insisted that he explain to us more explicitly this phenomenon of having binary concepts appear in political speech that try to relativize and pacify real events.

[Answer] Yes, we have a broad repertoire of quasi-dialectical syntagms that are used to maintain the status quo: "Nationalism is expanding, but unitarism is not diminishing either," or "The republic wants too much statehood and the provinces want too much autonomy," or "Republic-provincial barriers are growing, but forces who are bothered by the very existence of the republics and provinces have also raised their heads."

All of this is undeniably true on the ideological-theoretical level, but in order for us to undertake anything in practical politics, we would nevertheless first of all have to have at least a short-term ranking of the specific relevance of each of these diverse oppositionist ideologies and their proponents. We should simply see what is paining us acutely and what is doing so chronically, which danger is greater and which is lesser, at least for the moment, what is the cause and what is the consequence, what is primary and what is secondary. This, however, creates an atmosphere of panic and general inferiority in the enemy encirclement, and a confusion in which one no longer knows on which side the blows are stronger.

[Question] It seems that earlier we were not so liberalistically dispersive and confused in political tempests.

[Answer] In the recent past, when we conducted some similar battles much more successfully, for instance against the Informburists, we were not as afraid of the triumph of the liberals. When we conducted the struggle against the Maspok, we did not disassociate ourselves as much from unitaristic triumphalism. And when we conducted the struggle against bureaucratic centralism, we were not as concerned with the satisfaction of the nationalists or ultraleftists. Tito's historic speeches at the crucial plenums at those times were in fact much clearer, more direct, more precise, more explicit, more unambiguous, more authoritative, and more direct than is the case with today's documents, which in and of themselves allow relativization in interpretation and outmaneuvering in implementation. They contain something for everyone, and so the separatists, for whom everything smells of unitarism and centralism, select extracts that criticize such deviations. The dogmatists, who associate everyone else with liberalism, left-wingism, and nationalism, pounce upon the passages in which such deviations are named. Thus everyone finds official support for conducting a witchhunt against some of their main opponents.

[Question] How can one explain in terms of political science the fact that we react very quickly in the case of nationalistic excesses in culture, schools, and cafes, while we speak cautiously, generally, and very vaguely about the disintegrative activities of legal organizations that incite nationalistic passions?

[Answer] Almost all ideological platforms are abundantly adorned with the leftist phrases of freedom, equality, democracy, justice, humanism, and progress, which camouflage their historical and excessively discredited conservative inspiration. In our current framework there is neither a nationalism nor a unitarism that is self-understood and self-defined; instead, both ideologies cite extracted fragments of the official political platform and take them "pars pro toto." Relying on critical assessments of federal centralism and bureaucratism, the nationalists proclaim our entire historical development until 1974 to be virtually a prison for the people, while the unitarists, relying on criticism of republic etatism, portray everything that happened after that as a brief survey of the collapse of the country. Since the self-managing socialist ideology of society and the communist ideology of the party reject both nationalism and unitarism, these two complementary factions on the right ensure themselves the right to public space by waving the same symbols of socialism, self-management, fraternity and unity, and equality -- the tricolored flag and star, the hammer and sickle. The fact that the right has to misrepresent itself in order to appear on the political stage is naturally a positive indicator of the extent to which leftist values have pervaded mass awareness and public opinion; at the same time, however, it also makes the ideological struggle more difficult.

[Question] Admittedly, we have exclusive renegades in whom we again and again embody right-wing aggressions, with reason or without, while rightist variants in some speeches by certain leaders are left without an adequate response, although they can cause great confusion.

[Answer] Well, it is not likely that just a few professors, writers, former revolutionaries, and dissidents were able to poison the atmosphere on the ideological front politically like this. Why should some current revolutionaries, political and economic officials, loyal intellectuals, and artists be exempt from this a priori? Naturally, except for very few exceptions, we will not find ideal-typical right-wingers from head to toe among either group. But here and there, nationalistic and unitaristic slogans are quietly voiced by those from whom we might least expect this. Figuratively, it could be said that the line of differentiation between those who are right-wingers and those who are not does not pass between people; it passes through them, moreover not bypassing those who are communists from top to bottom and in the opposite direction. About two and a half million organized members of the vanguard are occupying all of the strategic points that are at all significant. Party members are in the publishing houses and councils, in management boards and banks, in delegate assemblies, and in sociopolitical organizations, and the Constitution recognizes their leading role in society, and so the assumption that the right wing is on the offensive because the LCY is slow to react is really untenable. It seems that everything in it is in the best of order, and that the only problem is that the party, always a healthy force, does not act therapeutically in a prompt and effective manner with respect to the infected segments of its social surroundings. Maspok, irredentist, hegemonist, Pan-Islamic, and similar more or less nationalistic or unitaristic incidents, from the recent or distant past or the present, have shown dramatically that right-wing ideologies only achieve public expression and concrete political effectiveness if they obtain some sort of favor within the LC. As Lenin said, "Our greatest danger is from the scoundrels in our own ranks."

[Question] It seems that the party has forgotten about internal differentiation, in spite of such great and barely legitimized differences.

[Answer] Our communist vanguard, in the ideological, action, organizational, and political sense, is far from being enough of a homogeneous whole to be able to have enough of an integrating effect in society. We, let us say, at the level of the LCY do not have uniformly operationalized criteria, from one area to another, as to what is nationalism and what is unitarism here and now. We note that in some circumstances an equals sign is put between these two dangers; in others, nationalism is treated as a present danger and unitarism as more of a potential and reactive one. In still others, however, it is primarily the danger from nationalism that is mentioned, and finally, in yet other circumstances, it is almost exclusively the danger from unitarism. I am not in favor of any sort of uniformity that would fail to consider specific local features, differences in the material-economic level of development, and unequal democratic and cultural traditions, but I am also not in favor of taking the practice of any one area as an example and model for the rest.

[Question] In your opinion, what are the obstacles to more united action by the party?

[Answer] It is becoming more and more difficult for the LC to recognize the outlines of the global and historical proletarian interest. In other words, the working class has become so stratified along the social vertical axis and so disintegrated along the geopolitical horizontal axis that it is more and more difficult to establish its long- and especially short-term unity. It is much easier for the individual parts of it to become associated with local techno-bureaucratic structures in the republics, provinces, or opstinas than it is for them to unite with each other in a self-managing manner at the level of the entire country.

[Question] Do you mean to say that we have fallen into a vicious circle with decentralization, in the way that it has been carried out?

[Answer] The fairly prominent thesis that by suppressing federal etatism, centralism, and bureaucratism and falling into its republic-provincial counterpart we made some sort of historical step forward, is extremely problematical. By multiplying the number of alienated centers of power and abolishing a macro-unitarism, we created several mini-unitarisms. Or, which is completely the same thing, by abolishing the hegemonism of the most numerous nationality in the country, we unwittingly made room for the nationalism of the dominant nationalities in the republics and provinces. Naturally, I am only speaking of trends that can best be recognized in extreme situations, and so assigning a higher value to nationalism than unitarism, and the reverse, would be equally harmful if we claimed that the many years of activity by the irredentists in Kosovo represent progress in comparison with the situation in the province during the period prior to the Fourth Plenum in Brioni, or vice versa.

[Question] It is obvious that such a set of circumstances also has an effect on the party. It is federalized, and along with this there has also been great confusion over democratic centralism.

[Answer] The LCY kept the old inherited function of state leadership, but it did not master the new one, of ideological guidance. The power of the state is now strongest in the republics and provinces, and the party did not fight for the social power of the working class, which is weakest today at the national level. Identifying itself with the power of the state, the party also assumed a symmetrical set-up, and so instead of democratic centralism from the base to the top, elements of decentralized monopolitism are at work. I do not know what else I would call the situation in the united center of the vanguard, when its members, on one hand, can adhere to their original positions in spite of the opinion of the majority, and on the other hand, they display views that are highly identical in view of the republic (or province) from which they come. The lively dialogue at the plenums of the LCY Central Committee falls off sharply at our internal borders, within which one can sometimes note a degree of obligatory harmony that was not even characteristic of the classical communist party system. Thus, at the center of the LCY we can recognize the establishment of coalition relationships among the 8 autonomous parts, and in the republic-provincial organizations, mostly a climate of unopposed unity. In the first case it appears that the principle of a minority when a majority cannot be established is dominant, and in the second, the principle of a majority completely without the existence of a minority -- which naturally is equally a deviation from democratic centralism.

[Question] All sorts of things are justified in terms of national interest, which has become dominant over social and class interest. In what way is the precedence of interests replaced?

[Answer] The bureaucracy is working on this, and it will very skillfully transform the vertical differentiation of interests, exacerbation of which is a threat to its existence, into a horizontal one, which favors its continuing and flourishing. First of all, through the ideological apparatus of the state (at the republic, province, or opstina levels), it persuades public opinion in its area that the source of all their misfortunes is not the local bureaucrats and technocrats, or the rest of those with legal privileges or even illegal usurpations, but rather the people over there in a different region of Yugoslavia, who are laying claim to "our" writers, exploiting our mineral wealth, recruiting our athletic stars, eating our grain, revising our history, taking away our foreign exchange, and ignoring our language. To a considerable degree, the people, the working class, can be deceived, and thus see their proletarian brethren from the other parts of the country almost as their political enemy. And then the politocracy says, "You see, we are not responsible for our not being able to consult and agree at all; the base has different interests, and it is up to us as their legitimate representatives to defend them uncompromisingly." Today it is therefore very important to determine when there really are historically inherited and present contradictions that actually exist between our nations and federal units during a transitional period, and which objectively are not minor, and to determine where the artificially created contradictions begin, which are much greater and which represent a purely bureaucratic-manipulative accretion.

[Question] In the recent discussions in the LCY Central Committee, it was shown that the method for electing candidates for the highest party forums should be changed, precisely for the sake of more united action.

[Answer] It is very important what becomes dominant -- the authority of the individual or the authority of the office. While our public scene was dominated by the generation of the historical leaders of the movement, the prominence of the forums was measured mainly by the revolutionary merits of the people who were active in them. Their loss or retirement considerably weakened the personal component of the authority of the party leadership. This can also be seen in the fact that the same statutory authorizations of the Central Committee and of the Presidium of the LCY Central Committee, which have not changed a bit, have now become institutionally insufficient for maintaining continuity -- the quality and intensity of the previous unity. It is well known that it was not only as the lifetime president of the party that Tito frequently intervened in inter-republic and provincial conflicts; the leaderships of the individual parts of the LCY also turned to him informally for arbitration.

[Question] Did Tito and the other leaders of the revolution have national reputations?

[Answer] Yes, but the current mechanisms for promoting new individuals to the party leadership, and the way in which they function in such positions, do not provide favorable opportunities for achieving authority throughout the entire LCY organization. It is not just that no one identified Tito as a Croatian; no one identified Bevac primarily as a Slovene, or Stari and Rocak as Bosnians, or Veljko and Tempo as Montenegrins, or Mosa as a Jew, or Koca as a Serb. They were revolutionaries, who under assignment from the party worked and fought from Moscow to Paris, and almost from one end of the homeland to another. Today a party official reaches the central bodies of the LCY primarily on the basis of the reputation that he achieved in his own narrower area, and moves exclusively along the vertical line opstina-city-republic (province)-federation, so that there is no opportunity to identify oneself more deeply and directly with the other parts of the country, and he perceives them less as his own. The present official of the highest rank in a republic goes to another almost exclusively as a representative in occasional bilateral meetings, or as a guest at some jubilee event at the borders or three-border areas. Consequently, his political authority also mostly begins and ends at the internal borders. While an engineer, doctor, worker, or teacher can change the republic or province to which he belongs without changing his professional status, so far that is almost impossible in practice for a sociopolitical worker, and not just in the LC.

Naturally, it is not written anywhere that this is not permitted, nor is it known that anyone is forbidding this. An indicative example of such conduct is the quite recent case of a political meeting in Vojvodina, where, among other things, dissatisfaction was expressed over the fact that a person with the reputation and abilities of Milos Minic was not part of the leadership of the republic, and it did not occur to any of those present that they themselves could elect him to a suitable post in the province, or delegate him to the republic or federation, even though he is not from Vojvodina. After all, at one time Stevan Doronjski was the secretary of the Belgrade city committee, and Dobrivoje Vidic was the secretary of the Vojvodina provincial committee.

[Question] Nevertheless, something is changing in the activity of the party leadership. Recently, a desire has been noted at the highest level "for united influence on certain acute divisions."

[Answer] You are obviously thinking of the conclusions from the expanded session of the Presidium of the LCY Central Committee, which truly opened up prospects for enhancing the disturbing relationships in Serbia. Nevertheless, the way in which even those documents are characterized by a certain lack of precision and incompleteness is demonstrated by the fact that, at least judging by the news media, the political structures in Serbia proper and in the provinces are interpreting the same materials in different ways.

It seems to me that one of the significant sources of disagreement is that there has not been sufficient systemic elaboration of the dual status of the provinces as integral parts of the republic and constituent parts of the federation, or the unique internal organization of Serbia as a whole and its position in the Yugoslav community. In fact, these are very original solutions, without any precedent in comparative constitutional practice, the consequences of which could not have been predicted on the basis of direct analogies. Finally, the way in which they function in practice depends upon the concrete relationships that are established. In the present situation, when they are not good, it turns out that Serbia is handicapped in comparison with the other republics in establishing internal unity and playing a role in the federation, and that so-called Serbia proper is handicapped in comparison wth the provinces, because they participate directly along with it -- indirectly but also completely autonomously -- in decisions that apply to the whole country, while Serbia proper only does this in the first manner. In some future situation, when, let us say, relations within this republic are optimally good, on the basis of the same normative assumptions Serbia could also be privileged in Yugoslav relations, since it would have triple representation -- both as a whole and through each of its two autonomous parts. This again would quite certainly not be consistent with the equality of the rest of the republics, and certain fears are obviously already present in advance in some current views and behavior. In my opinion, the conclusion to be derived from this is not that it does not matter what the system is but what the practice is. Quite the opposite: normative solutions that permit some to be harmed or favored today, and others tomorrow, are not good. Consequently, this subject should be regulated in the appropriate provisions of the Constitution in such a way as to prevent any deviation from what is expected.

[Question] There is a belief among the public, which has also been expressed in one of the interviews in this series of ours, that halting the emigration from Kosovo would be more effective if there were not, to some extent, a lack of broader and more united involvement from the whole country.

[Answer] More directly stated: if it were being solved less as the problem of one republic-provincial area, and more as a national problem.

Why is that so? Well, because the trends that have been brought to the boiling point in Kosovo are only those that are also more or less present, at a lukewarm temperature, in the other republics. Republic-provincial etatism, to the extent that it is or has been present everywhere, strives to establish a symmetry: one state, one territory, one nation, one culture, one language, one script, etc. And then it would be up to those who do not belong to the majority to be assimilated or to pack. For example, some of the Serbs, Montenegrins, Moslems, Gypsies, Turks, etc. have left, while others helped irredentism by keeping silent; some have been expelled from the political structure because of their public protests, while others voted for the expulsion in order to remain in that structure. We also had similar symptoms during the time of the Maspok. Isn't it in this context that one should view the incidents in our most developed republic concerning the "strangers" [Slovene word in original], who as outsiders or strangers from other parts of Yugoslavia have to be integrated in language, education, and culture if they want to remain? Next there is what can break out between Serbs and Vojvodina Serbs, which was recently discussed by Slobodan Selenic. Even the so-called Bosnian spirit was proclaimed at one with the categories of "natives" and "outsiders." Finally, hasn't the last census indicated migrations of peoples toward their parent national states, and autonomy as a general Yugoslav trend?

Naturally, it does matter whether this nationalism-unitarism raging throughout Yugoslavia will be manifested in individual excesses or whether it will assume widespread dimensions, whether it will voice itself through literary lies, scientific falsification, journalistic bias, and verbal crimes at cafe tables, at a private meeting, in personal correspondence, or whether it will assume the form of savage physical violence and the organized and systematic driving of people from their own homes.

And the extent to which the problem of emigration under pressure is viewed as something that cannot happen to us tomorrow and does not affect us directly today only shows how far we have gone down this dangerous path. But to tell the truth, these negative assessments are being exaggerated today, since, finally, if the opposing integrative trends were not only present but even relatively stronger, we would have collapsed long ago.

[Question] If I understand you, you are advocating united involvement by the party throughout the entire territory of Yugoslavia, in line with the positions at one of the recent plenums of the LCY at which there was a discussion of the working method of the revolutionary center of the LCY.

[Answer] Of course, since the party leadership of the LCY, according to the constitution, is neither above nationalities nor above the republics and provinces. The Central Committee consists of people who live and work in the republics and provinces, on a parity basis, and its Presidium includes, among others, the presidents of all of the 8 autonomous parts. These bodies thus do not have the classic Politburo structure, the personnel of which are strictly separate from the lower levels of the ladder of party leadership. Consequently, more frequent and more energetic involvement by the Presidium and the LCY Central Committee as a united revolutionary center in solving problems in the republic and provincial organizations should by no means be understood as intervention from above that violates autonomy.

[Question] Perhaps we could conclude the interview by saying something about the specific features of internationality relations in Bosnia-Hercegovina?

[Answer] Bosnian-Hercegovinian cultural creators of Croatian and Serbian nationality are establishing very intensive cooperation with publishing, information, and other institutions in Zagreb and Belgrade, as the traditional centers of the Croatian and Serbian national states and cultures. In certain cases the cooperation is even more intensive than with the corresponding institutions in the republic in which they live and work. Such cooperation may be one of the forms of an inter-republic rapprochement or ties between cultural workers, regardless of administrative frameworks. And perhaps this has something to do with the other republic center offering somewhat more spiritual breadth and intellectual tolerance, since these are culturally developed areas with a richer democratic tradition and a relatively mononational structure, which is less sensitive than the one in Bosnia-Hercegovina, which is markedly multinational. All of this perhaps impoverishes our narrower area, but it also stimulates greater creative efforts in it.

Another aspect, however, is covered by the research that I began for the Institute for Internationality Relations of the Central Committee of the Bosnia-Hercegovina LC. There have been incidents in which the participants ostentatiously disassociated themselves from the policy of cultural pluralism and internationality tolerance that Bosnia-Hercegovina is trying to follow. But there has also been behavior characterized by inadequate reactions to repeated personal and nationalistic pressures from powerful individuals, informal groups, and cliques, which are more or less present everywhere and in every profession, instead of directly, publicly, and bravely exposing the problems in the right place, i.e. where they broke out.

There is also something that could be very dangerous, namely that the traditional national urban centers outside Bosnia-Hercegovina are turned to for support because of a quite subjective or simulated feeling of being oppressed by the Moslem intelligentsia. But the opposite is true, however -- greater abstention by creative individuals of Serbian and Croatian nationality from the spiritual life of the area of Bosnia-Hercegovina should legitimately lead to such undesirable disparities. Furthermore, it has occurred that individuals and groups from news, publishing, and other institutions outside this republic have manipulated the national feelings of young cultural workers from the ranks of the Croatian and Serbian peoples in Bosnia-Hercegovina, which, after a final political clarification at the highest level, has always costed the manipulated more than the manipulators. Finally, it should be noted that even certain individuals from the official structures of all three areas have contributed a great deal to this negative politicization of intranational cooperation in transrepublic relations here and there. It is significant that previous analyses of this cooperation have often stressed only either the positive or the negative aspects of this cooperation, and so the ambition of this research is to shed light on them more extensively and objectively, and thus contribute to the development of unity and equality in Bosnia-Hercegovina and the SFRY.

9909
CSO: 2800/9

SERBIA'S YOUTH PAPER SNAPS BACK AT COLONEL'S ALARM

Belgrade NOVE OMLADINSKE NOVINE in Serbo-Croatian 3 Nov 85 p 4

[Commentary by Slavisa Lekic: "The Army Is Playing a March ... Struggle Is Not Always Shooting"]

[Text] "... left, left, left..." (Mayakovsky, "Left March")

Mikhail Bakunin, probably Marx's severest opponent, condensed his life's creed into a single sentence: "Who is not with us is against us."

Janos Kadar gained political glory, among other things, by turning this thesis on its head into a genuinely democratic slogan: "Who is not against us is with us."

Col Gaja Petkovic, editor-in-chief of NARODNA ARMIJA, has also succumbed to the temptation to turn a thesis on its head, evidently intentionally. His publication recently offered the "military public," and other interested parties via the poetically-titled "political chronicles" of certain dailies, a new "doctrine" for opposing "penetration by domestic enenies." The idea is very simple and logical in a military way: "Who is not with us is going to get shot at."

Expanding on the topic of "disturbing growth in the production of enemies" in an editorial headed "The Revolution Under Attack" in the latest issue of NARODNA ARMIJA, official publication of the Yugoslav People's Army, Colonel Petkovic calls upon the public to trade in the worn-out methods of "fight a book with another book," "fight an article with another article," and "fight an argument with another argument" in favor of the new doctrine of the "firm paw," in the name of the revolution and revolutionary achievements.

Responding to a few of the latest not-exactly-ephemeral military/political "incidents," and referring in particular to the realm of "spiritual creativity," or rather "a segment of the press and serialized and memoirist articles," Colonel Petkovic in his editorial avoids the usual methods of administrative labelling and disqualification, permitting himself to invite the class-conscious and revolutionarily-inclined into a genuine battle against the "combined forces of the enemies of our society."

"The time has come," writes Colonel Petkovic, "to ask ourselves whether the enemy can be neutralized by defensive tactics, just by defense against attacks and political phraseology. Can we fight the enemy this way indefinitely? The answer, of course, is negative. If we are to defeat the enemy, if we are to keep the reins in our own hands in the increasingly-open ideological struggle, we are obliged to resort more often to severer measures of revolutionary democracy."

Expertly citing Tito, Colonel Petkovic offers a "cure" in the same text. The Yugoslav People's Army is the armed guard of the revolution and, on its own, would have to be the guard of the future of that same revolution "in the interest of preserving the revolution's achievements." Naturally, with the widest possible use of "severe measures of revolutionary democracy."

The Yugoslav People's Army, with all its authority, is a fully-recognized arbiter in society. This institution, if I may call it that, is a governmental entity in the way in which it is organized and led and a people's entity in terms of its personnel. Rarely since its establishment has the Yugoslav People's Army been put on alert status because of "penetration by a domestic enemy." The Yugoslav People's Army would be difficult to describe as ever having operated as a force on its own, or having traced out a militaristic path. To be sure, any discussion of socializing defense has been skillfully blocked, any grass-roots criticism has been labelled in advance, the "background" to any incident was always an object of search, and equating the withering-away of the state with the withering-away of the Yugoslav People's Army continues to be regarded as heretical stupidity. However, it is beyond belief that Petkovic's reaction, which is surely out of proportion to the deeds and efforts of Yugoslavia's enemies, has any connection with the latest Yugoslav "hedghog" doctrines. Just as the realm of creativity cannot be regulated exclusively by criminal law, so also "revolutionary achievements" cannot be preserved by "severer methods of revolutionary democracy." This ideological war is too tedious [otuzan] a matter for even colonels to become involved with it.

There is no justification, of course, for all that has been happening in recent months on the"nationalistic bar counter." Not only the "military public" is upset over the nationalistic-physical-Splittish abuse of military cadets. If this "proclamation" is just part of political training for military personnel, or perhaps a smokescreen to conceal the mistakes of "military authorities" in the Martinovic case and the Colonel Ivanvovic [military investigator in Martinovic incident] case and to disavow Dr Sava Skovo [retired officer and reviewer of much-criticized book by historian Veselin Djuretic],, then it should have been wrapped in a slightly-smarter coating than a call for employing "severe measures of revolutionary democracy."

One should believe (nice phrase, isn't it?) that we will not get a "military attitude" into our heads, in addition to "nationwide defense" and "administrative" attitudes, in relation to provocations of whatever kind when we have not yet exhausted legal forms of ideological struggle.

Naturally, one should also believe Stanislaw Lec [Polish writer of aphorisms] that "not every bullet fired proclaims a revolution."

Sometimes people miss the target.

One should believe in that, too.

/12913
CSO: 2800/89

AUTOMATIC PCB TESTING SYSTEM DESCRIBED

East Berlin FEINGERAETETECHNIK in German Vol 34 No 8, 1985 pp 343-345

[Article by A. Stopp, engineering diplomate, Center for Research and Technology, Berlin-Treptow VEB "Friedrich Ebert" Electronic Equipment Combine: "Automatic Testing Using Self-Diagnosis Method"; paper with same title delivered at the 7th Scientific Conference held at the Mittweida Engineering College from 3 to 5 Sep 1985]

[Excerpts] Self-diagnosis methods are cost-effective means for functional testing of printed circuit boards [PCB's] filled with components or of complete instruments. Based on experience in using combined external and self diagnosis, the concept of testing future microelectronic products by using an automated tester controlled by computer and a special emulator has been developed further and presented. The system consists of a testing computer (development system), emulators and simulators controlled by a computer.

The testing system is used for functional testing of PCB's filled with components, single computers and multicomputer systems. The hardware and software components and the test flow are presented.

1. Prerequisites for Self-Diagnosis after the Menufacturing Process

--Self-diagnosis requires a functional hard core usually consisting of parts of the CPU [central processing unit]; the data, address and control bus; and parts of memory, but which at least can be halted (program organization).

--Self-diagnosis of control equipment after the manufacturing process presupposes as a rule process simulation on the process side.

2. Combined External and Self Diagnosis

By the following step by step diagnosis and hardware oriented to it, the prerequisites cited can be created:
--external diagnosis at least of the hard core
--self-diagnosis without process interface
--self-diagnosis of process interfaces with simulation.

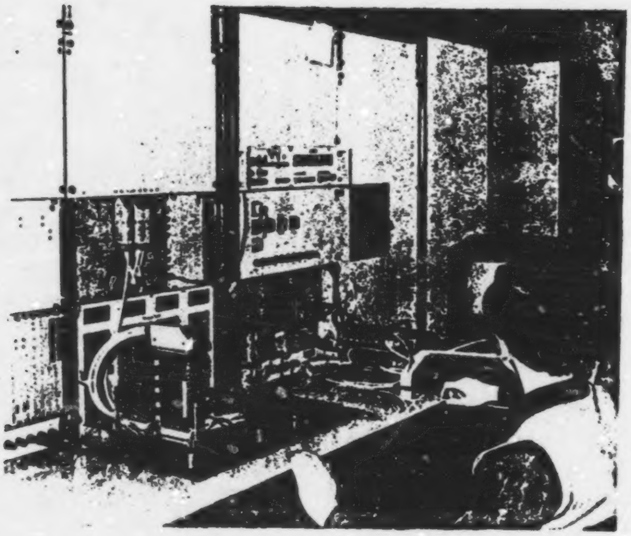


Fig. 1. PFG 60 tester, controlled by a microcomputer, for testing functions and localizing faults in card slots in the Ursalog 5000 system

3. Combined External and Self Diagnosis in the Ursatron 5000 System

For PCB testing, the Ursatron 5000 system includes the PFG 60 automated tester (fig. 1) with general-purpose testing peripherals and for equipment testing, the GEP 10 basic unit tester (fig. 2 [not reproduced]) with special testing peripherals (fig. 3 [not reproduced]) tailored to the system.

Both have a special PCB (ICEM [integrated circuit emulator]) which operates together with the ZRE [CPU] and RAM [random access memory] of the testing computer system as an emulator and is used for self-test control. Adaptation is performed to the CPU (U 880) in the unit under test or through a bus adapter to the bus of the unit under test (K 1520 bus) or to a ZRE [CPU] slot.

Functions:
--interface switching
--dead-end of soldered-in CPU in unit under test
--side control of 16 memory and 8 I/O address ranges between the system and the unit under test
--start or interrupt of self-diagnosis programs in the unit under test by using a system programmed RESET, NMI, and INT with vector tracing.

The functions implemented made possible a flexibly automated flow of alternating external and self-diagnosis. During external diagnosis, the CPU in the unit under test is shut down and the system CPU tests through side control at least the modules and functional groups belonging to the hard core.

After a successful test, the self-diagnosis programs loaded in the unit under test are started according to the compiled program, whereby the system computer monitors the diagnosis timing and interrupts u. U. [if need be]. The results are read out by the system computer and shown on the monitor.

4. Concept of Testing Equipment

Based on experience with the Ursatron 5000 system testing equipment with the combined external and self diagnosis, the following aim should be pursued in future: The testing equipment should be made to a large extent of general-purpose modular hardware and software components and leave free space for adapters contingent on development. The concept is aimed at standardization of equipment in
--development
--production and
--service
and allows within production yet again standardization of equipment for
--equipment testing
--PCB testing (assumption: short-circuit test and similar pre-tests are run on an in-circuit tester) and
--manual testing.

4.1. Hardware Components

The testing equipment consists of a development system with the following components (fig. 4 [not reproduced]):
--testing computer (development system)
--emulators
--process simulators
--real-time storage for bus analysis.

--Testing Computer (Development System)

This system consists of a computer, display screen, keyboard, floppy disk drive and connections for emulators (serial interface; different types of CPU's; multicomputer testing), process simulators (serial interface), real-time storage, printer, and auxiliary equipment.

--Emulator

The emulator includes the emulator CPU, emulation storage, halt-point control and trace storage.

The following functions should be implemented through the emulator:
--shutdown of soldered-in CPU
--CPU emulation
--replacement of ROM [read-only memory] in the unit under test by emulation storage
--signal recording and representation of all CPU interface signals and of synchronization signals in multicomputer systems.

The emulator in mind is one like the concept described in [1].

--Process Simulators

Process outputs analysis and process input stimulation is required for process interface testing.

Simple signal feedback of outputs to the inputs or feedback through simple simulators is the aim, but not applicable in every case.

True process reproduction with full adaptation has to be dismissed because of expense. The simulators have their own computer and are connected to the testing computer through a serial interface. The parameters of the pin electronics for stimulation or evaluation of the process inputs and outputs are determined by the variety of PCB's to be tested. The simulation is limited as a rule to the functional oriented evaluation or generation of a relevant test pattern.

Suited for this are, e.g.:
--general-purpose computer controllable digital simulators and
--general-purpose computer and manually controllable analog simulators.

5. Summary

The concept offers the possibility of meeting the growing demand for testing equipment by increased use of self-diagnosis with a testing system built from modular general-purpose components. Coming as additional support is that in modern products controlled by microprocessors, increasingly more testability and self-diagnosis firmware is being implemented to raise fault tolerance or even just repairability. The chief task of the function test after the manufacturing process lies in future between the closed in-circuit test and the beginning of use of self-diagnosis firmware.

BIBLIOGRAPHY

1. Geidel, K.-D., et al., "General-Purpose Modular Emulators," RADIO FERNSEHEN ELEKTRONIK, Berlin (1984) No 12, pp 761-762. Fg 9067

8545
CSO: 2302/100

ELECTRONICS EQUIPMENT DEVELOPMENTS SURVEYED

East Berlin FEINGERAETETECHNIK in German Vol 34 No 8, 1985 pp 352-353

[Article by L. Hoedtke, engineering diplomate, Mittweida College of Engineering: "Scientific Results of Mittweida College of Engineering Students and Young Scientists"]

[Text] The scientific productive activity of the students and young scientists is mirrored in a number of developments of devices and other exhibits which are shown and offered for later use annually at the various exhibits and fairs.

The following selected efforts characterize the spectrum currently worked:

1. LADIS Laboratory Automation Instrument

The exhibit is an instrument for laboratory automation for digital in-circuit tests based on the K 1520 system. The tester is intended as an auxiliary device for handling numerous test equipment tasks, e.g. as a tester for digital circuits, conduction tester, in-circuit tester and as a general-purpose programmable word generator for a data width up to a maximum of 40 bits.

This instrument features simple programming and operation. It can be used in the "periodic" and "step" modes of operation. The instrument has merit as an innovation in the GDR.

2. Adhesive Bonder for Integrated Circuit Assembly

The adhesive bonder is intended for surface bonding of IC's to mounting strips and other substrates. On areas from 100 x 100 micrometers to 10 x 10 mm, homogeneous coatings ranging from 5 to 30 micrometers can be implemented.

This instrument, operating on the basis of combined relief and flat printing methods, features high dosing accuracy for highly viscous material (glue, paste). It also offers the capability of implementing structures with a minimal line width of 100 micrometers. Among other things, the device is intended for for use in laboratories which manufacture hybrid circuits on their own.

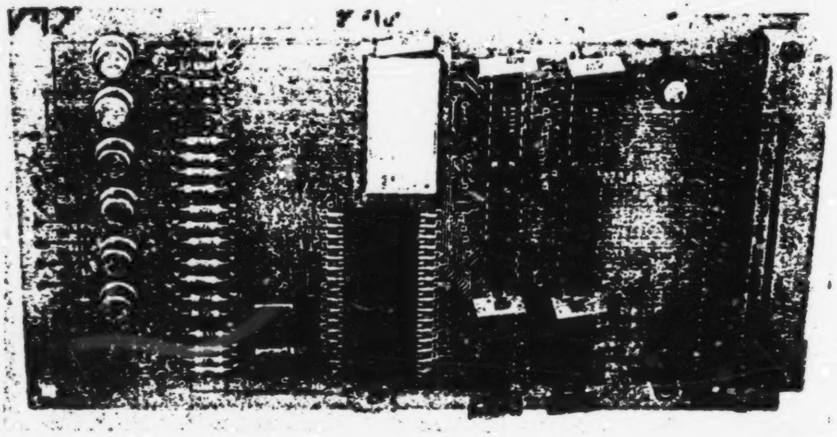


Fig. 1. Single-board computer

A simplified version of the exhibit can be offered.

3. Single-Board Computer

A single-board computer (fig. 1) was developed by using the U 880 single-chip computer made by the Erfurt Radio Plant VEB. The circuitry allows direct connection of a keyboard (20 keys) and control of a six-part seven-segment display.

Ports 0 and 1 are used for this. Ports 2 and 3 on the U 880 single-chip computer can be plugged into any digital process inputs or outputs.

All programs needed for computer operation are stored in a 2716 EPROM (2K bytes). Memory expansion is possible, but not planned.

The single-board computer is a general-purpose unit which allows solving small control problems. Programs allow easy adaptation to a process environment.

4. CT 880-1 Test Equipment Controlled by Microcomputer

The CT 880-1 modular tester, controlled by computer, was developed for testing modern electronic assemblies and devices in scientific instrument making. See page 373 for more information on this device.

5. Measuring and Test Computer for Education

This exhibit (fig. 2) includes expansion boards for the K 1520 computer to drive an ENDIM 620.02 x-y recorder, an LA 8/10 logic analyzer and an analog-to-digital/digital-to-analog converter.

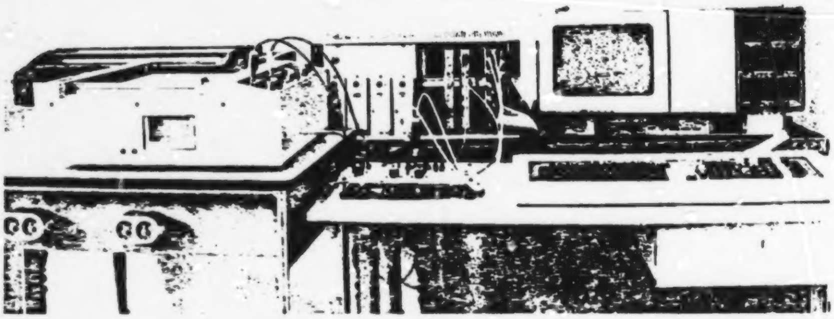


Fig. 2. Measuring and test computer for education

The physical and logical device apparatus recorders run under the UDOS and SCP operating systems. The logic driver can be called by using BASIC through a standard interface. Menus allow relatively simple use and are used to select service programs.

6. In-Circuit Tester for Laboratory and Service

This instrument (fig. 3), controlled by microcomputer, is used to test the functions of digital circuits (SSI/MSI) while connected. It operates according to the back-driving principle and also performs pre-tests relating to technological faults present in the field around the circuit.

Implementing the test method in a small tester allows use in the laboratory and service.

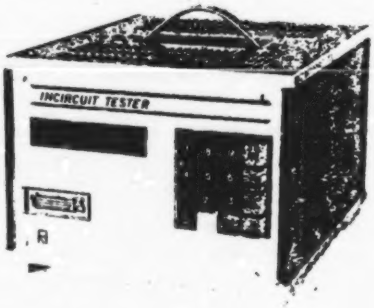


Fig. 3. In-Circuit Tester for Laboratory and Service

7. Patient Heartbeat Monitor

This instrument is used to monitor heartbeat within adjustable bounds. In a pulse generation stage, the EKG signal is converted into a rectangular signal of defined length; then the period duration is measured by a pulse counter and evaluated with respect to the preset bounds.

This unit ensures constant monitoring of patients and triggers an alarm in conditions threatening life. Fg9014

8545
CSO: 2302/100

SCIENCE AND TECHNOLOGY GERMAN DEMOCRATIC REPUBLIC

LASER SCRIBING OF SEMICONDUCTOR WAFERS

East Berlin FEINGERAETETECHNIK in German Vol 34 No 8, 1985 pp 353-355

[Article by B. Laemmel, doctor of engineering and doctor of pedagogy; G. Zscherpe, professor and doctor of science, Mittweida College of Engineering, Technology of Electronic Equipment Construction Division; and P. Fricke, doctor of engineering, Center for Microelectronics Research and Technology, Dresden]

[Excerpts] In manufacturing microelectronic components, structured semiconductor wafers have to be diced into chips.

The techniques for this include either a scribing diamond tip or a rotating cutting disk. The last method especially delivers high rates of productivity with yields of almost 100 percent in the dicing process, when the process variables of the diamond saw, scribing power and breaking pressure are known and can be controlled. Diamond tips or disks induce in the semiconductor wafer in addition to material removal sufficiently large mechanical stresses so that chips can be diced by a force perpendicular to the scribe groove. Lateral expansion of residual stresses remains limited to the free space available so that adjacent components are not endangered.

From 1970 to 1974, a number of Soviet enterprises [1] to [3] and American firms [4] to [7] switched to laser scribing after laboratory work proved that equivalent results can be obtained with a laser. In this case, material removal is achieved by vaporization and these three factors have a positive influence on the break process:
--reduction of the sectional area
--formation of a stress concentrator
--alteration of the strength of material in the vicinity of the scribe line.
With a laser, the vaporization process can be regulated so that no thermal or other harm is done to the components bordering the scribe line.

Of the lasers available, the efficient Nd: YAG laser has proved itself for the following reasons:
--The laser beam with a wavelength of 1.06 micrometer is absorbed by all semiconducting materials adequately;
--The required pulse power flux intensity S > or = 10^8 W/cm^2 at pulse effect times of τ = about 100 ns are achieved;

--The pulse repetition frequency up to 50 kHz enables high processing rates;
--Focusing the laser beam to a spot diameter of d = about 25 micrometers guarantees minimal scribe line widths.

1. Experimental Investigation

The experiments were conducted on unstructured Si semiconductor wafers with various surface orientation, doping and geometry with a Nd: YAG laser. The goal was to find answers to these questions:
--Which laser parameters (mean power, pulse repetition frequency, processing rate, focusing parameters) should be selected to achieve a high chip yield?
--How do the scribe groove width and depth depend on the laser parameters selected?
--How large is the laterally distorted zone (stress concentrator)?
--How does the semiconductor wafer behave overall when a scribe lattice is produced by using a laser beam?
--What effect do different crystal orientations have on the removal process?
--How do different doping concentrations affect the optical properties of semiconductor wafers and thereby the energy deposit in semiconductor material?

The laser parameters of mean laser power P_m, laser pulse repetition frequency ν, processing rate υ_a and focal length of the focusing optics $\int$ were varied within the following ranges:

$$P_m = 0{,}35 \ldots 3{,}0 \text{ W} \qquad \nu = 3 \ldots 20 \text{ kHz}$$

$$v_a = 7 \ldots 50 \text{ mms}^{-1} \qquad f = 25 \text{ mm und } 75 \text{ mm}$$

For the technological characteristic values of linear energy density LED, linear pulse density LPD and cutting power CP

$$LED = \frac{P_m}{v_a},\ LPD = \frac{\nu}{v_a},\ CP = LED \times LPD$$

the following ranges are produced from the values P_m, ν and υ_a adjustable at the laser

LED = $7 \cdot 10^{-3}$ to 0.43 J/mm
LPD = $6 \cdot 10^{-1}$ to 2.86 P/mm
CP = $4 \cdot 10^{-5}$ to 1.23 J $\cdot$ P/mm².

The essential element in the process is the processing rate υ_a since it determines laser scribing productivity.

A selection of sample materials investigated is shown in table 1 [not reproduced]. Light microscopy and roentgenography were used as characterization methods. The wafers processed by laser were observed by a bright field of reflected light. The formation of the scribe lines were examined, the width measured and the processing depths determined on the separated chips through microscope. Observations were made at an overall magnification from about 200:1 to 500:1. Warping on some typical wafers after the laser scribing was determined. By wafer warping, we mean interplanar warping which was obtained according to the horizontal method with $MoK_{\alpha 1}$ radiation and a 220 reflex. The roentgen topographs made were used to measure the width of the disturbed or distorted areas.

The wafers were placed on PVC film and separated on a rubber base. The dicing yield was determined from the number of separated chips not damaged.

2. Experimental Results and Discussion

Material removal for sample 1 with respect to the (110) fracture and (111) crack plane is compared in fig. 1 [not reproduced]. There were different depths of removal. Removal depth h_t at constant scribe rate υ_a and constantly maintained laser power P_{cw} is a function of the pulse repetition frequency. This relation determined experimentally is shown in fig. 2 [not reproduced]. With that, it should be noted that by varying the pulse repetition frequency ν, the pulse power P_i and the pulse overlap are varied at the same time and thereby determine the function curve shown. The "nicks" visible on the light microscopic photograph are attributed to the power flow intensity fluctuations of the Nd: YAG laser. With an increasing pulse repetition frequency, fewer of these "nicks" appear. This material removal in addition to the thermally induced stresses is a decisive value for the dicing process. The scribed silicon wafers are placed on PVC film and separated on a rubber base. The yield is determined from the number of chips separated with no damage. Removal depths of $h_t > 50$ micrometers were required to achieve a chip yield of 100 percent. For a silicon wafer 200 micrometers thick (samples 1, 7, 8 and 9), the chip yield as a function of the removal depth is shown in fig. 3 [not reproduced].

From such representations, the required scribe line depths for different wafer thicknesses could be assumed by approximation. In the neighborhood of a critical value for the removal depth h_t, the chip yield can diverge relatively strongly. In this case, influential factors can be focusing varying with wafer warping, laser power flux intensity fluctuations or a nonuniform surface.

In addition to a chip yield of a 100 percent, the peripheral area phenomena in the vicinity of the scribe line are an important factor which are based on the thermal effects of the laser. The first evidence on the width of the thermally affected zone is being obtained by using light microscopic studies. By a thermally affected zone, we mean in this case the dark coloring on both sides of the scribe groove visible in the bright field of reflected light. From such photographs, the relation of the width of the thermally affected zone to the scribe line width was determined for various laser parameters. The irreversible thermally affected zone, evaluated by light microscopy, can be two to three times the scribe line width. Choosing an objective focal length of f = 75 mm compared to f = 25 mm yields the advantage that in the peripheral areas, there is less damage due to lower temperature gradients and comparable removal depths can be achieved by an adjusted increase in power flux intensity. At the same time, a larger objective focal length means that fewer Si particles are spattered over the wafers. Fig. 4 [not reproduced] shows a raster electron microscopic photograph of a scribe line on sample 9. The particles spattered on the Si wafer have a diameter from 5 to 10 micrometers.

Further evidence on the size of the irreversible thermally affected zone can be obtained by using roentgenographic studies. Fig. 5 [not reproduced] shows a roentgen topograph to determine the width of the disturbed zone for sample 1. Toward the <211> orientation, it is about 180 micrometers and parallel to the <110> orientation, about 100 micrometers. The photograph was obtained according to the horizontal method with $MoK_{\alpha1}$ radiation and 220 reflex in transmission.

By using etching methods and previous sample annealing, similar values could be established for the width of the irreversible affected zone.

The concave warping of the semiconductor wafer observed after the laser processing and measured roentgenographically allowed evaluating the stress on the overall semiconductor wafer. The results of these evaluations according to [8] with the required computational values of the elasticity modulus E_{Si}, wafer thickness h_{Si} and warp radius $r_{k, Si}$ are drawn for samples 1, 2, 5 and 7 in table 2 [not reproduced]. For the range studied, the laser parameter was averaged over the warp radius so that rough estimations were used in the calculations. The stresses caused by the wafer warping, however, are of great importance to the dicing process.

The highest power flux intensities used for these experiments on laser scribing reached values of about $8 \cdot 10^8$ W/cm². From theoretical estimates for forming shock waves in silicon, additional destruction of Si wafers should be expected for power flux intensities $> 10^9$ W/cm².

3. Conclusion

From these experimental investigations on scribing of Si wafers, these laser requirements follow:

wavelength	λ = 1.06 micrometer
continuous wave power	P_{cw} = 50 W
pulse length	τ = 30 to 200 ns (quality switched)
pulse repetition frequency	ν = 5 to 50 kHz
scan rate	υ_a = 200 to 1,000 mm/s

In addition, there are focusing optics, beam expander, mode screens, measuring technology and the required handling system for automating the process.

With such a laser, in addition to uncoated, Ni-coated, SiO_2-passivated, glass-passivated silicon, sapphire and GaAs can successfully be scribed.

BIBLIOGRAPHY

1. Bockin, O. et al., "Analysis of Process Parameters for Laser Scribing," ELEKTRONNAJA PROMYSLENNOST, Vol 49, No 1, 1976, pp 35-39.

2. Uglov, A. A. et al., "Thermal and Energy Characteristics of Laser Scribing of Silicon Wafers," FIZIKA I CHIMIJA OBRABOTKI MATERIALOV, No 4, 1981, pp 29-33.

3. Karaev, A. L. et al., "Analysis of Regularities of Process of Dicing Semiconductor Wafers into Chips in Integrated Circuit Production Technology," FIZIKA I CHIMIJA OBRABOTKI MATERIALOV, No 2, 1982, pp 64-67.

4. Hardway, G. A., "Applications of Laser Systems to Microelectronics and Silicon Wafer Dicing," SOLID STATE TECHNOLOGY, 1970, pp 63-67.

5. Whitehouse, D. R. et al., "Laser Beam Technology for the Microelectronics Industry," SOLID STATE TECHNOLOGY, 1972, pp 32-35.

6. Kotake, H. et al., "Observation of Residual Stress and Defects in Silicon Induced by Scribing," JOURNAL OF MATERIALS SCIENCE, No 15, 1980, pp 895-902.

7. "New Items at the 'Laser 75 Opto-Elektronik' Show," FEINWERKTECHNIK UND MESSTECHNIK, Munich, Vol 83, No 6, 1975, p 301.

8. Anthony, T. R. et al., "Stresses generated by the Thermomigration of Liquid Inclusions in Silicon," JOURNAL APPLIED PHYSICS, Vol 49, No 12, 1978, pp 5774-5782.

Fg 8921

8545
CSO: 2302/100

ELECTRONIC EQUIPMENT CONSTRUCTION CENTER DESCRIBED

East Berlin FEINGERAETETECHNIK in German Vol 34 No 8, 1985 pp 362-363

[Article by K. Sass and L. Hoedtke, engineering diplomates, Mittweida College of Engineering]

[Excerpts] Current Education and Research

Under the conditions of a policy concerning college education which is continually being adapted to the latest requirements, a Center for Making Electronic Equipment was established at the Mittweida College of Engineering on 1 July 1983.

With that, the Center's purpose is to make modern research equipment, controlled by microelectronics, and make it available to a wide circle of interested parties, especially in the system of higher education. At the same time, the students are familiarized very early with scientific and technical work close to practice and can now assimilate education acquired from studies.

Especially characteristic for the work of the Center at present are:
--development and construction of modular electronic systems for laboratory and experiment rationalization, and
--manufacture of PCB's as the essential base for modern scientific devices.

The program includes at present, among others, the development and manufacture of the following devices:

--Laboratory Computer System

With the development and construction of special accessory modules for a laboratory computer in the Center for Electronic Instrument Making, a powerful and universal microcomputer system is being made available for applications in teaching and research in GDR colleges and technical schools.

Available as auxiliary modules are analog-to-digital and digital-to-analog converter components for adaptation between analog processes and digital processing units. Essential parameters are the resolution from 8 to 14 bits and the conversion rate.

Other system components are a graphics unit to display functions, measured values and diagrams, a case module to accept expansion boards and a programming module for the U 2716 C circuit.

--Optical Power and Level Meter with Digital Display (Fig. 7 [not reproduced])

This instrument was developed at the Mittweida Engineering College and is intended for determining the optical power and the optical level in lightguide transmission systems.

Specifications:

dimensions	250 x 240 x 140 mm (EGS [unified mounting system] case)
operating voltage (supply voltage)	220 V
power consumption	25 W
sensitivity (for optical power)	1 nW
operating wavelength	0.85 micrometer
measuring dynamic	60 dB
level display	in dBm
light source	LED; for DC and AC light modulatable switches in two power stages
connectors	standard 4.5 mm 0.

The power meter was designed in a sort of "pseudo modular technique."

Wiring the six modules of the optical power and level meter together produces a maximal version that operates in an optimal or economic range according to the needs of the operator. Fg 9013

8545
CSO: 2302/100

CONSTRUCTION OF ACCELERATOR AT BORIS KIDRIC INSTITUTE

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 24 Oct 85 p 2

[Article by L. Cocaj: "Science Fiction Becomes Reality"]

[Text] Specialists of the "Boris Kidric" Institute in Vinca spent 5 years preparing the project for construction of the accelerator installation at Vinca. By all appearances what was imagined will become reality over the next 5 years. This would not be a surprise, although it will not be easy. At last science and the economy and medicine are working together.

"Building accelerators is incidentally not something unknown to our economy. To be sure," Stevan Koicki of the institute in Vinca emphasized, "Yugoslavia does not have a single very sophisticated machine, but it is an important exporter of components. 'Rade Koncar' of Zagreb is a recognized components manufacturer. Yet even here our well-known habit of exporting the components and importing the accelerators has not been absent. So far we have imported about 40 accelerators. They are being used in medicine and more and more often in the economy as well. Our clinics are increasingly well-equipped and look more and more like laboratories, while the laboratories unfortunately look more and more like self-managing communities of interest and other administrative institutions."

The installation's construction has been planned in three stages. Production of liquid helium will begin for the first time in the country as early as the beginning of 1986. Vinca will then have a small plant able to produce between 10 and 15 liters of helium per hour. The institute will build this large and modern "refrigerator" together with "Tehnogas" of Belgrade. In the second stage what the specialists call a helium cryogenic center will be built, including a laboratory for the development of superconductive magnets. The superconductive magnet (superconductor technology is a basic technology and will go into many fields) will be ready in 1987. These magnets lose all resistance, but they are fine wires with a diameter of 0.6 mm in which there are no more nor less than 40 filaments (they are even finer than a human hair). In actuality this small wire is a superconductor, since electrical resistance has been eliminated. Magnets which can be held in the hand have been successfully replacing large transformers.

"Minel," "Tehnogas" and the School of Engineering in Novi Sad will produce cryogenic fittings, and "Rade Koncar" and the institute in Vinca the magnets. "Rade Koncar" of Zagreb will use the magnets for generators and motors. Even now it is estimated that the savings will be $25 per kilowatt. Shipbuilding has also been turning more and more toward electric motors recently, so that the superconductive magnets are expected to be used there as well. Thus a technology is changing after 100 years, since niobium and the superconductive magnets will be used instead of copper and iron. "Energoinvest," "Rade Koncar" and "Minel" are interested in developing and manufacturing the magnets. Cooperation and division of labor in the phase of technological development and also later during production have been agreed on in principle between "Minel" and "Rade Koncar."

Nuclear magnetic resonance (NMR) used in medicine might sound like science fiction to many people. Nevertheless, in the future this will not be fiction, but reality; the institute in Vinca also counts on making a cyclotron, which is said to be the most universal machine. This is the only machine except for the nuclear reactor which can pay its own way. "Rade Koncar" and "Ivo Lola Ribar" are interested in developing accelerator technology and building an isochronous cyclotron and later also a class of specialized medical machines. Each of these organizations is already able to produce 50 percent of the components of the cyclotron.

A cyclotron is a machine to produce short-lived radioactive isotopes. They are used in medicine for diagnosis, and their basic advantage is that the radiation dose is small, and patients are not threatened. This domestic cyclotron will be used by the Military Medical Academy, but the Clinical Center in Belgrade has already contracted to import this machine, which costs about $1.5 million. Those who are in a position to know say that it is more advantageous to manufacture cyclotrons than, say, refrigerators.

If everything the institute is now planning to have were to be imported, it would cost about $5 million, but realization of the entire project is estimated at about 1 billion dinars. Even if 80 percent of the resources would be denominated in dinars, since this is a domestic product, and the rest would be imported. The apparatus itself would cost 600 million dinars, installation 200, and infrastructure another 200 million dinars.

The entire job is to be organized by the "Boris Kidric" Institute, "Ivo Lola Ribar," "Minel," "Tehnogas" and the Clinical Center in Belgrade, and it is most likely that a consortium will be created for superconductor and accelerator technology. It is anticipated that the resources to carry out this project would be furnished by the basic and republic associations for science, the Executive Council of the Republic of Serbia, the Yugoslav People's Army, VAM [presumably VMA, Military Medical Academy], "Tehnogas," "Minel," "Ivo Lola Ribar," "Rade Koncar" and the Clinical Center of Belgrade, along with the institute.

7045
CSO: 2802/3

END

JPRS-EER-86-003

10 January 1986

East Europe Report

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

ERRATUM: In JPRS-EPS-85-124
of 24 December 1985, please
change page "e" of Table of
Contents to read "d".

JPRS-EER-86-003

10 January 1986

EAST EUROPE REPORT

CONTENTS

AGRICULTURE

HUNGARY

Poor Returns Cause Drastic Decline in Animal Husbandry
(NEPSZABADSAG, 30 Oct 85).................................. 1

ECONOMY

HUNGARY

Consumer Goods Market Described
(Andras Nyiro; NEPSZABADSAG, 20 Nov 85).................... 6

POLAND

Union, Self-Management Activities
(Various sources, various dates)........................... 9

New Tasks for Mining Self-Management 9
'Expanded' Trade Union Powers Noted, by Izabella Czaplarska 10
Self-Management Situation Reviewed 14
Union Role, Management Conflicts, Alfred Miodowicz Interview 15
PZPR Hosts Nationwide Self-Management Meeting, by Bogumil Holda 21
Statements at Self-Management Meeting 25

YUGOSLAVIA

Unprofitable Yugoslav Enterprises Operating Abroad
(BORBA, 5 Dec 85).. 42

POLITICS

CZECHOSLOVAKIA

Increase in Pressure on Church in CSSR
(Paul Heller; FRANKFURTER ALLGEMEINE, 10 Dec 85)............. 44

HUNGARY

CSCE Cultural Forum Reflecting European Reality
(Editorial; MAGYARORSZAG, 1 Dec 85)........................... 48

POLAND

PZPR Politburo Meets
(RZECZPOSPOLITA, 21 Nov 85).................................. 50

New Council of Ministers Meets
(RZECZPOSPOLITA, 16-17 Nov 85)............................... 53

New Government Members Press Conference
(RZECZPOSPOLITA, 16-17 Nov 85)............................... 56

Constitutional, State Tribunal Members Nominated
(RZECZPOSPOLITA, 21 Nov 85).................................. 59

Comments on Work Evasion Law
(Stanislaw Podemski; POLITYKA, 2 Nov 85)..................... 60

Average Polish Family in Focus
(Anna Przeclawska; ODRODZENIE, 3 Nov 85)..................... 64

'National Character' Discussion Continues
(Edmund Lewandowski; POLITYKA, 9 Nov 85)...................... 69

National Stereotypes Theory Ridiculed
(Ryszard Dyoniziak; POLITYKA, 9 Nov 85)...................... 74

Self-Management May be 'Sabotaged' by Underground
(Zygmunt Szeliga; POLITYKA, 16 Nov 85)....................... 76

Malinowski at Training Center for Civil Servants
(RZECZPOSPOLITA, 18 Nov 85).................................. 82

Teenagers Request Asylum in Sweden
(Tomasz Walat; TRYBUNA LUDU, 20 Nov 85)...................... 83

New Course Requirements for Students
(RZECZPOSPOLITA, 26 Nov 85).................................. 85

OPZZ Delegation in Moscow
(RZECZPOSPOLITA, 23-24 Nov 85) 86

National Defense Committee Meeting
(RZECZPOSPOLITA, 26 Nov 85) 87

Kohl Receives Polish Journalists
(TRYBUNA LUDU, 26 Nov 85) 88

ROMANIA

Briefs

People's Councils Appointments 89
New Post for Andrei 89
New Position for Buracu 89
Ivascu Election 89
Territorial-Administrative Changes 89
Recognition of Orthodox Clergy 90

YUGOSLAVIA

Slovenia's Hafner Discusses Role in Federation
(Vinko Hafner Interview; NEDELJNE INFORMATIVNE NOVINE,
No 1814, 6 Oct 85) 91

SCIENCE AND TECHNOLOGY

POLAND

Industries Polled on High-Speed Steel Consumption During 1979-1982
(Leszek Dobrzanski, Eugeniusz Hajduczek; WIADOMOSCI
HUTNICZE, No 9, Sep 85) 102

Figures on Output of Polymer Plastic Materials, Products
(POLIMERY, No 6, 1985) 112

Biotechnology Research Projects at Mickiewicz University
(Florian Domka, et al.; CHEMIK, No 9, Sep 85) 114

Research on Domestically Refined Rolling Mill Lubricant
(Wladyslawa Grabowska, Wieslawa Tomerska; NAFTA, No 6, Jun 85) 117

New Silicon Aluminum Alloy Developed
(Jan Nowak; AUTO TECHNIKA MOTORYZACYJNA, No 5, May 85) 121

AGRICULTURE

HUNGARY

POOR RETURNS CAUSE DRASTIC DECLINE IN ANIMAL HUSBANDRY

Budapest NEPSZABADSAG in Hungarian 30 Oct 85 p 10

[Text] Animal stocks are in an alarming decline. According to KSH [Central Statistical Office] data, at the end of the first half of the year there were 973,000 heads of cattle in the country, 59,000 fewer than a year before. It has been generally known for a long time that the cattle stock of small farms is decreasing but this year the large-scale farms have also taken such a turn. Stocks were reduced by 4,000 animals at the state farms and by 30,000 at the agricultural cooperatives. The last time the country had less cattle than now was in 1976.

There was a particular decrease in the number of cows. In the middle of the year, there were only 710,000 cows in the stables, about 27,000 fewer than a year before. But the decrease in cow stocks is also endangering the future since the decrease in breeding animals will result in less milk and beef.

A similar fate befell the breeding sows. Within one year, their number was reduced by 83,000 and by the end of June only 680,000 were kept by large agricultural enterprises and small farms. According to previous experiences, this number is no longer sufficient to supply an adequate number of fattened animals to maintain continuous work in the meat industry. Namely, this requires the annual slaughter of 8 million hogs which in turn can only be supplied by 730,000 pregnant sows. Since there are not as many of them and the number of meat animals has also decreased by one million, the individual meat industry enterprises are forced to make interruptions in slaughter and processing.

Falling Back from the Forefront

The decrease in the fowl and sheep stocks at the farms is another indication of the decline of animal husbandry. For instance, within a year the number of sheep declined by 192,000 (8.1 percent). The consequences are obvious: this year there has been a 4-5-percent decrease in meat-animal production, a 3-percent decrease in milk and nearly the same decrease in wool production.

One could say that such large decreases in the animal stocks of the country came rather unexpectedly. Last year, we were saying that never before 1984 have so many hogs been slaughtered. The first 4 years of the Sixth 5-Year-Plan period were characterized by an expanding animal husbandry. There was an increase in meat production, we produced more milk and the usual proportion was maintained, whereby more than half of the agricultural production income came from animal raising. However, anyone who carefully studies the statistics could see that there has been a decrease in cow stocks for years and the low point in sheep raising was reached earlier.

Thus the tensions had already been lurking earlier and their current surfacing was promoted by several factors. The decrease in world market prices is usually mentioned first. Compared with 1981, there was a 38-percent decrease in beef cattle, a 32-percent decrease in hog and a 37-percent decrease in fowl prices. For instance, one ton of pork could be sold for $1106 in 1982, and for only $810 last year.

As a consequence, this year's plan projected a reduction in meat production. Knowing it, the enterprises rightfully concluded that reducing the number of animals is the right thing to do. Their decision was also reinforced by the fact that their expenses had increased because of two years of drought and the severe winters. The profit margin in animal husbandry had been modest even before, and considerably increased costs could not be assumed by almost any of the enterprises.

The change in costs and prices became divorced from each other, profitability decreased which in turn also prompted a slow-down by the agricultural enterprises. The data from the Center for Statistical and Economic Analysis of the MEM [Ministry of Agriculture and Food Industry] clearly show the characteristic process of the last few years. The average cost of the agricultural cooperatives of producing one liter of milk was 7.5 forints in 1980, and 8.33 forints last year. On the other hand, the average selling price was actually decreased by 1 filler [0.01 forint] from 9.18 forints per liter.

In 1980, 100 forints in costs produced 22 forints in profits at the dairy farms of the agricultural cooperatives. Last year, the figure dropped to 10 forints. In pork production, the profits relative to the costs were reduced by 1 forint from the 18 forints in 1980 and in chicken raising they were reduced from 12 to 5 forints.

Of course, there are extremely large fluctuations hidden by the averages. For example, at the poorest dairy farm of the country, one cow gives 1,855 liters of milk per year as compared with 6,570 liters at the best farm. The list can be continued for other sectors. According to the data from the National Council of Producer Cooperatives, some cooperatives produce 0.8 tons of pig for slaughter per sow while others produce 2.3 tons. The annual egg production per hen fluctuates between 74 and 283. There are also differences among the types of agricultural enterprises. Last year, the average yield of milk was 4,435 liters per cow at the agricultural cooperatives as compared with 5,567 liters at the state farms.

The profitability of production is closely related to yields and thus it is understandable that there are significant differences among the profitability indicators of the enterprises. Last year the cost-related profitability of dairy production was 21 percent at state farms and 10 percent at cooperatives.

The picture is also rather depressing when the results of our animal husbandry are compared with the leading countries. Although we rank 4th on the list of per capita meat production, we are 12th in milk production per cow and 17th in egg production. More is revealed about actual productivity when the indices of labor productivity are compared although our backwardness is even greater in this respect. At the specialized dairy farms of agricultural cooperatives--that is, at the leading places--one laborer cares for 11 cows. The number is 12 cows at state farms, 50 to 60 cows at modern West-European farms and even higher in the United States.

Role of Managers

There is much to improve. This is evident in comparing our results with others' and also in comparing the domestic enterprises with each other. Part of the deficiencies can indeed be improved since they are related to human negligence. Namely, at a farm where the yield is not even 2,000 liters per cow, the animals are obviously not even fed properly. There are practical examples to confirm it. New management was chosen to lead one of the cooperatives and, within a few months, milk production was increased by 1,000 liters per cow. Exchange of the stock naturally could not be considered in such a short time, merely the useless milking machines were replaced and the animals were given fodder in accordance with the professional requirements.

The fluctuations referred to are also unjustified because the sector is less affected by extreme weather conditions than is plant cultivation, and the development of considerable differences is due more to human factors and to discipline.

These are all true but they don't change the fact that the results of animal husbandry also depend on technological development and indirectly on the amounts which can be spent on development. And these have been small for a long time. In meat production, for example, there is 7-8-percent profitability relative to the resources. As a natural consequence, the profits from animal husbandry failed to produce sufficient money for investment. And, because the interest on loans is also considerably higher than the profit relative to the resources, the agricultural enterprises were not inclined to take out loans for investments.

In recent years, there were hardly any new buildings erected for animals anywhere in the country. This is very distressing to the experts engaged in development because they were planning field tested buildings and technologies which are not too costly but the farming enterprises did not even have the money to build those. Actually, the Fifth 5-Year-Plan period had already been characterized by the same situation with fewer animal housing units having been built than necessary. Although the enterprises did start some greater or lesser reconstruction projects but, having little money, mostly they just increased the number of spaces for animals and deferred technical-technological development. As a consequence, they "preserved" the outdated conditions of before.

Although it is true that there is a sufficient number of spaces to house the stocks, a large part of the stables is outdated, it does not provide the animals with adequate living space for meat and milk production. According to estimates by the National Council of Producer Cooperatives, for example, the proportion of traditional animal housing is 65 to 83 percent—differing according to sectors. The proportion of buildings depreciated to zero is 23-percent in sheep raising and 10-percent in cattle fattening. The situation is even worse with respect to the technological equipment of the stables. Only 15-percent of the cows are kept without restraints in modern stables equipped with resting boxes and only 20-percent of the sheep-folds are equipped with water, electricity and a connecting road leading to them.

Incorrect Proportions

Good fodder management is an indispensable condition for successful animal raising. These days, animal producers have all too little chance to accomplish that. On the one hand, this is derived from the incorrect proportions within animal husbandry. In other words, the number of animals consuming mixed fodder is extremely large in the country, exceeding the available mixed fodder and thus their feeding is not always done in accordance with the biological demands. Last year, for example, because of the drought, the proportion of corn in the feed had to be reduced thereby decreasing the energy content and increasing the length of the fattening period. In other words, production costs were further increased by incorrect feeding.

The chances for profitable animal raising are further diminished by fluctuations in mixed feed composition. During the second half of 1984, 57.8-percent of the industrial feed mixtures and concentrates were disapproved by the Institute of Animal Raising and Fodder Control because of their poor quality or deficiency in content. In January and February of this year, 95-percent of the tested premixes failed to meet the specifications. A natural consequence is that in Hungary more than 4 kg mixed fodder is needed to produce 1 kg pork while in Denmark and Holland less than 3 kg is needed.

Regretfully, the situation is no better with the feeding of animals consuming mass fodder. The meadows and pastures are neglected, the yields per hectare are low and consequently the production cost of mass fodder is high, in turn again increasing the cost of animal products. In addition, instead of feeding the otherwise useless product of the meadows and pastures to the animals, the agricultural enterprises use cultivated land to grow the fodder, land on which profitably marketable commercial plants could also be grown. This has long been known among the experts, a dozen directives are there for a change but they are slow to take place in practice. For it is not in the interest of the enterprises to raise the poor productivity of meadows and pastures. A thorough overhauling ("amelioration") would be needed to improve the majority of them requiring much money and providing a slow return on the investment. Animal husbandry has a modest profitability, and at the farms the inclination is not to spend much money on a sector, the final product of which cannot be made use of with adequate profitability.

Eventually the strange situation arose in animal husbandry, whereby through purchases abroad and crossings at home we have very high-yielding species, but the exploitation of their genetic advantages is hindered by technological backwardness and incorrect fodder management.

Modest Solution

Starting in January, the situation will change. The new regulation will provide more favorable financial conditions and thereby incentives for developing animal husbandry. Purchase prices will be raised and the large agricultural enterprises will be able to get state support for building new plants and for reconstructing old ones. The possibilities of the sector are increased by making it possible for about 160 farming enterprises to join the development program realized through World Bank loans.

In recent weeks, people at the agricultural cooperatives and state farms have been calculating how much the profitability of animal raising will improve and what investments they will be able to initiate. A rather colorful picture is evolving. The measures directed toward raising income will merely cover the losses at farm enterprises with modest previous results while at other places they will indeed modestly increase profitability. It is, of course, a telling sign that the enterprises are not standing in line for developments associated with the World Bank programs.

The signs of evolvement are noticeable, nevertheless. It is true that rapid changes can hardly be expected since a modest advancement in animal raising will be possible mainly at the more successful farm enterprises. This is indeed the goal rather than helping the stragglers join the middle field merely through external support because, in the production of animal goods, quantitative changes are not so much needed; qualitative renewal is much more important.

Nearly half of the agrarian exports is derived from animal raising. On the other hand, product quality is an increasingly prevailing condition of marketability. Its foundation starts to be laid in the stables. In conclusion, from its current downward trend, the developmental graph of animal raising can again be turned upward through the detailed and careful work of experts and through consistent incentives.

2473/12859
CSO: 2500/94

CONSUMER GOODS MARKET DESCRIBED

Budapest NEPSZABADSAG in Hungarian 20 Nov 85 p 10

[Article by Andras Nyiro, Department Head at the Ministry of Domestic Trade: "Consumer Goods Market"]

[Text] The consumer goods market was characterized by a moderate boom during the first 9 months of this year.

The sales volume of the retail trade was 372.3 billion forints in consumer prices. This is 24.8 billion forints more than at the same time period last year, signifying an increase of 7.1 percent.

Twenty-five percent of the sales increase occurred in the first, 32 percent in the second, and 43 percent in the third quarter. Demand was particularly strong in July and September.

Along with the global balance of the purchasing power and availability of goods demand and supply on the consumer goods market has improved as well. Previous discrepancies have been somewhat mitigated and new problems have been mostly temporary and restricted to small areas.

An important change has been the modification in the nature of demand. The public, putting more emphasis on more thought-out and thrifty purchases and demanding a greater harmony between value, price and quality, has been giving more preference to less expensive products--whenever selection makes it possible.

So far the supply of basic foodstuffs, cut meat and meat products has been good this year. Poultry supply has been better than last year and that of live fish has been improving.

The supply of potatoes, vegetables and fruits has been considerably better than last year and for the most part prices as well have been lower than last year.

Clothes supply in the retail business has been better than last year. Improvement was more noticeable in the second and third quarters because of accelerated domestic and import shipments.

Many areas of supply--for example, men's and boys' overgarments and underclothes, baby clothes, etc.--have been substantially expanded, but at the same time we are still experiencing problems with securing an adequate supply, including a selection of sizes, of men's and children's shoes.

The supply of various manufactured goods also improved during the first 9 months of this year. This is related to the fact that the trade industry is now able to offer an adequate supply of construction materials, and there has been an even supply of furniture and cultural products as well.

Of the major groups of products, there has been a keen demand for freezers, gas stoves, water heaters, boilers, color televisions, tape recorders, etc. In spite of increased purchases and sales supply has not always been enough to satisfy demands. For example, 30,000 more television sets were sold in 9 months than last year, an increase of 41 percent, but even so the supply was not adequate.

The greatest problem for both the public and institutions has been the purchase of fuel.

Despite considerable improvements supply could not fully meet increased demands. We can expect further improvements by making up for delays in the mines and by imports. This process, albeit differentially by regions, already started in September.

In 9 months retail sales volume expressed in comparative prices has increased slightly, by 0.9 percent over last year. A significant change compared to the first half year has been that along with foodstuffs and consumer goods, sales of various manufactured goods at unchanged prices have exceeded sales last year by 1.4 percent. The clothing business and tourism have stayed at the same price level, but both keep decreasing in volume.

The gradual improvement of product supply has been greatly facilitated by the domestic industry's ability to increase its wholesale and retail shipments in the first 9 months of this year by 4.1 percent as measured in comparative prices.

This was typical of virtually all branches of industry. The only exception was the construction material industry. Shipments were smaller than last year because of a drop in public demand which resulted in decreased commercial need and orders.

A peculiar situation has developed in which so far this year the dynamic force behind industrial production, and partly economic growth, has been the domestic market, and within it the consumer goods market.

In 9 months the import of consumer goods has increased by 8.4 percent in current consumer prices. Import shipments increased particularly in the last 3 months of this time period. Our ruble import, comprising nearly 60 percent of the total consumer goods import, has increased moderately, at a below average rate of 2.4 percent.

An important part in the increase of the non-ruble consumer goods import was played by barter arrangements and various combined imports. These do not affect the foreign trade balance.

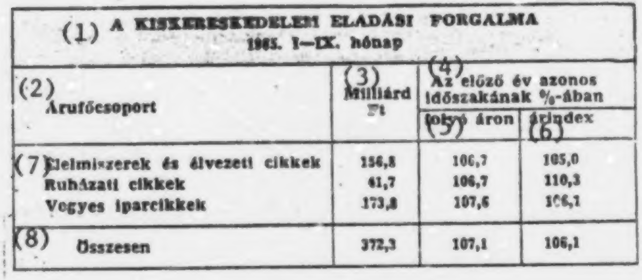
Of the main product groups, the supply of foodstuffs and consumer goods has increased by 7.2 percent in current consumer prices.

The import of garments has increased by 12.1 percent, while that of various manufactured goods has increased by 7.6 percent. It is particularly noteworthy in this latter product group that the coal import has increased by two and a half times since last year, and the briquet import has increased by almost 18 percent.

More imported products of information technology have been sold for domestic consumption, and this contributed to easing tension in this area in the first part of this year.

The improvement in the contractural relationship between domestic industry and trade that had started in the second quarter continued into the third quarter. In this time period trade was more able to satisfy the consumers' demand for better selection and faster shipments.

But for the last quarter of this year trade enterprises indicate changes in the favorable processes. Some industrial enterprises avoid signing contracts, and referring primarily to capacity problems they frequently set the shipment deadlines for the end of this time period.



(1) A KISKERESKEDELEM ELADÁSI FORGALMA
1985. I—IX. hónap

(2) Árufőcsoport	(3) Milliárd Ft	(4) Az előző év azonos időszakának %-ában	
		(5) folyó áron	(6) árindex
(7) Élelmiszerek és élvezeti cikkek	156,8	106,7	105,0
Ruházati cikkek	41,7	106,7	110,3
Vegyes iparcikkek	173,8	107,6	106,1
(8) Összesen	372,3	107,1	106,1

Key:

1. Retail Sales Volume 1-9 months 1985
2. Main Product Group
3. Billion Forints
4. In Percent of the Same Time Period Last Year
5. In Current Price
6. Price Index
7. Foodstuffs and Consumer Goods
   Garments
   Various Manufactured Goods
8. Total

12366/12859
CSO: 2500/96

UNION, SELF-MANAGEMENT ACTIVITIES

New Tasks for Mining Self-Management

Warsaw RZECZPOSPOLITA in Polish 19 Sep 85 p 2

[Text] Worker self-management and representative organs operate as part of a specific organizational structure within the mining industry. Worker councils exist and function at 8 coal mining companies: Jaworzno-Mikolow, Dabrowa-Gornicza, Katowice, Bytom-Ruda Slaska, Zabrze, Rybnik-Jastrzebie, Lower Silesia, Lublin-Chelm, Polmag Mining Machinery and Emag Mining Automation. They are now facing new tasks. Without the help of any preceding examples, they must work out the necessary forms of organization and work methods that will enable them to deal with the entire complexity and diversity of the different plants that comprise the large, conglomerated mining firms. They are gradually being consolidated organizationally and have already had their first results and experiences in work done on behalf of firms and their employees.

The representatives of 11 mining worker's council addressed this problem at an 11 September meeting in Katowice with the management of the Ministry of Mining and Energy and Mining and Energy Minister Czeslaw Piotrowski. This meeting was devoted to an exchange of experiences and the everyday problems dealt with by the worker self-management organs under the new organizational structure of the mining industry.

Among other things, the chairman of the worker's council at the Katowice Coal Mining Company, Jozef Stanoszek, discussed the experiences of the council's field commissions that represent 10 different mines. Their task is to maintain close contact with worker crews.

Plant self-management sections also operate at the Rybnik-Jastrzebie Coal Mining Company. In the beginning, they were involved with matters of production, employment, housing construction and the problems of land fills. Jerzy Marszolik, chairman of this company's self-management council, said: "We are just now learning self-management because this is something that cannot be decreed by any regulations".

'Expanded' Trade Union Powers Noted

Warsaw ZAGADNIENIA I MATERIALY in Polish No 32/33, 10 Aug 85 pp 26-29

[Article by Izabella Czaplarska: "Trade Unions: Updating Union Laws"]

[Text] Within a period of less than three years since the Sejm passed the new law on trade unions, the union movement has been reborn as a self-managing advocate and defender of worker's rights.

The following facts attest to this rebirth:

-- the trade unions contain more than 5.5 million members which is more than half of the workers that are allowed to form unions in Poland;

-- about 60 percent of the members are blue-collar workers and this has established the working-class nature of these unions;

-- there are union organizations at 24,000 places of work; the structure of the union movement includes more than 131 branch national organizations, most of which are federations and the national representative for the movement, the National Confederation of Trade Unions and its provincial echelon, the provincial trade union confederations.

Therefore, the 8 October 1982 law's model of partnerly cooperation between the trade unions and state administration and its legal guarantees of the socialist union movement's independence have accounted well of themselves in practice. In defending worker's rights, the trade unions have had a strong influence on decisions made by organs of state administration on such recent key social issues as pay hikes and the shaping of worker incomes. The unions have become a meaningful partner to state administrative organs at all levels and they have maintained their own point of view on many issues concerning the rights and interests of workers.

Therefore, the efforts of the trade unions to achieve social welfare and job safety rights greater than those provided by the law are understandable. Their position was supported by the 17th Central Committee Plenum. After evaluating the realization of the provisions of the 8 October 1982 law, the Council of State consulted the unions and then presented an initiative of its own to introduce certain changes to that law.

As a result of these actions, on 24 July 1985, the Sejm made certain changes to the trade union law and to several other laws defining trade union rights.

The basic premise of these changes was to give a fuller definition to the role taken by the self-managing union movement in defending worker's rights, to encourage more union activity on behalf of workers and national growth, strengthen the position of the unions relative to the state administration and define their function in exercising supervision over work safety, vacations and social security.

Aside from increasing union authority in key areas of the activities they carry out for the working people, the principles by which unions are created were adapted to union practices of recent years. The employment security of elected union officials was also improved and better operating conditions were created for plant union organizations.

More Rights

The law clearly states for the first time that the trade unions represent and defend the rights and interests not only of their members but those of all workers. The unions' obligation to care for the needs of all workers will be fulfilled through direction of the activity of the public labor inspectorate and the implementation of social and other activities which are, after all, normal union practice.

One of the most important changes is the greater number of rights given to individual plant union organizations.

The updated law introduces the obligation to reach an agreement with the unions over principles employed by places of work in their handling of social and housing funds and how these funds are to be alloted to provide benefits to individual workers. Up to now, the union organizations only had the right to voice an opinion on such matters.

There was also introduced the principle that an agreement must be reached with the plant union organizations over decisions made by organs at the place of work that concern a broad range of worker's rights. Such agreements require the establishment of a system of wages within the place of work as well as the setting of work and vacation schedules. Meanwhile, pay and bonus pay rules are to be determined in agreement with the plant union organization.

Plant directors have come under the legal obligation to cooperate with the union organizations at least once a year to assess the realization of worker's rights and social activities in their establishments and draw conclusions from these assessments.

These provisions enrich the unions' previous rights to shape social policy in places of work and determine work and pay conditions. It is expected that these new rights and especially the initiation of yearly or periodical assessment of plant conditions will contribute much to fair and legitimate relationships between workers and management and encourage more social activity.

The trade unions' right to defend the individual interests of working people was greatly strengthened in the updated law: the unions gained the authority to make revisions to every legally valid ruling on labor law and social welfare and to appear before the Supreme Court with recommendations for instructions on how to interpret the provisions of labor law and social welfare as well as court practice. The national union organization may also call on the Supreme Court to interpret unclear legal regulations or those that have been the basis of questionable rulings.

Job Safety and Health Care

One of the most important areas which demands the involvement of the trade unions and special legislation is job safety and worker health care.

The updated law on the State Labor Inspectorate has given the chairman of the Supreme Chamber of Control and the trade unions the legal right to supervise the inspectorate's operations. The Job Safety Council was transformed from an advisory organ to one responsible for setting programs for the State Labor Inspectorate and monitoring its activities. At the same time, under the provisions of the new law, the majority of the members of the council will be unionists and this will have a decisive influence on the directions and nature of the inspectorate's work.

The principle of union cooperation with public and especially industrial health care services will be introduced. The trade unions have also gained the right to introduce their own sanatoriums and allot sanatorium patient assignments, including assignments to state sanatoriums. This has been done not only in accordance with the current practice but also constitutes a restoration of previous union powers.

Meanwhile, an original Polish solution without any counterpart in other legislation is the granting to the trade unions of the right to participate in the supervision of the work of the Social Security Agency. This solution came into being because the updated law has clearly authorized the trade unions to protect the rights and interests of retired and pensioned workers. Union supervision over the work of that agency will be regulated in detail by specific legal provisions that are currently being formulated.

The right granted the trade unions to establish special investigative bodies to examine various aspects (such as the cost of living) of the situation of working people is very significant to their effective functioning,

Unions and Self-Management

The increased powers of the trade unions are not privileges at all because these organizations have also been made more responsible for the work of employees. In connection with this, the law stresses the need for management at places of work and self-management organs to cooperate with the unions to create conditions that are favorable to the workers' performance of their tasks, the assimilation of technical and organizational progress, a growth in inventiveness and efficiency and improvement in the quality and productivity of labor.

It is worth recalling that controversy and doubt has often been provoked by the subject of the authority of worker self-management and trade union organizations and the relations between these organs.

The unions have had their rights increased but not at the expense of the position and role of worker self-management. Both the union and the worker's council represent the same workers. The principle that decisions concerning workers have to be worked out with the trade unions means that there must be cooperation on such issues. Authority disputes between the worker self-management and the trade unions occur only from misunderstanding of the shared responsibilities that these bodies have to the workers. The law, by more precisely defining the rights of the trade unions, makes it easier to establish the proper relationship between these representative organs and for them to cooperate with one another.

The law also introduces a new institution in the conclusion on all levels of organization of agreements on cooperative realization of tasks that fall under the authority of the trade unions. These agreements are supposed to define the methods and means used to realize these tasks. They also stress the partnerly relationship between trade unions and other organizations including the self-management bodies.

However, it is not agreements alone that call for partnerly mutual relations: these are also emphasized by the trade unions' new right to make suggestions to organs of state and economic administration which are in turn obligated to take action within periods stated by the law.

United, Class

The law has put into order the principles of organization of the trade unions and their structures. They also sanction the organizational structures developed independently by the reborn unions because they state that the plant structure is the basic cell from which all other echelons of union organization such as the federations and interunion structures as well as the National Confederation of Trade Unions draw their authority. The law's solutions making it possible, for example, to create union cells in small work establishments, emphasize the universality of the law to form associations and will certainly foster further growth of the union movement.

The law leaves no place for so-called union pluralism. The postulate that this form of pluralism be restored did appear during consultations on updating union law but was not considered because the social and political conditions necessary for such pluralism had still not come into being. We still remember recent experiences in which a large union organization, independently of the intentions of its members, because a destructive force and a source of anarchy in public life. These experiences must incline one to exert great care. Poland can only have a socialist union movement!

If only one union organization functions within a place a work, there is better integration of the work crew, the trade unions are made stronger as defenders of workers' rights and it becomes impossible for socialism's enemies to use the union movement to attack the constitutional principles of government of People's Poland.

Therefore, the legal provision that one trade union be active in a place of work has remained in force. As the update of the law states, this principle will remain in force as long as the Council of State sees fit or until Polish social, political and economic life are stabilized in full.

The update of a law is always only a change in the provisions of that law. In this case, the change was dictated by the needs of life and concern for the more efficient functioning of the trade unions which was "too confined" in the former set of regulations. Whether or not it will be "just right" will be seen as a matter of course.

Self-Management Situation Reviewed

Warsaw FAKTY I KOMENTARZE in Polish No 32, 11 Aug 85 pp 14-15

[Article by dr: "We Answer Questions: What Is the Present Situation of Worker Self-Management?"]

[Text] The Sejm of the Polish People's Republic examined information of the Commission on Worker Self-Management and in a special resolution recognized that the majority of self-management bodies are making proper use of their legal powers and consolidating their position as an important factor in worker participation in administration and worker responsibility for the results of their firms' activities.

At the present time, the campaign for election of new worker's councils is continuing. What was the situation of the councils now ending their terms of office?

Worker self-management has been established in nearly 6400 firms, in other words, in about 90 percent of the places of work authorized to do so. Within these firms, there were active more than 11,000 worker councils (one or more per firm). More than 130,000 workers (73 percent of which were members of those firms' worker councils) took part in self-management. In the worker's councils at the level of the firm, blue-collar workers made up 51 percent of the membership while 66 percent of the membership at lower levels were workers. Respectively 29 and 19 percent of the membership came from engineers and technicians. Financial and bookkeeping workers made up about 10 percent of the membership in both the firm and lower-level councils and 24 and 13 percent of the council membership at both levels came from the management cadre.

The worker's councils are dominated by persons 30-39 years of age (45 percent) whereas the 40-49 age group makes up another 30 percent. Young people of up to 29 years of age made up about 10 percent of the firm council membership and 13 percent of the lower-level councils. About 18 percent of the council membership was women. Party members made up about 30 percent of the membership and a considerably higher percent of the council chairmen were party members.

In 1984, the worker self-management councils operated over the entire year. They made many fundamental decisions, from the setting of plans for the year to the distribution of profits. This had a great influence on the inclinations of worker councils to promote efficiency. Self-management activists are showing an increasingly economic approach to the activities of their firms and particularly to the disposition of their funds. This has especially made itself felt in the reinvestment of most of the firms' profits.

Information provided by provincial party committees has shown that the self-management bodies are independently searching for ways to get around many difficulties. Most of the self-management bodies in Lodz have become very actively involved in reviewing the central yearly plan for 1985. In this case, they pointed out the possibility of improving economic results in spite of a shortage of workers by increasing management efficiency and above all by increasing labor productivity, improving the organizaticnal of work and increasing discipline.

The self-management bodies of Krakow provincial firms have concentrated their efforts on analyzing material reserves, extraordinary costs, use of production by-products and wage systems that promote efficiency. In Bydgoszcz province, the self-management at individual firms has succeeded in increasing their production for export to the second-payments area, in streamlining the management of fuel and materials and in effectively realizing a thrift program. In several firms in Katowice province, the self-management bodies have initiated an experimental system for conserving raw materials that has saved millions of zlotys.

Aside from these positive activities, there has nonetheless been no lack of passiveness in the face of difficulties as well as insufficient initiative in solving the important problems of firms. The newly-elected worker's councils should therefore have the two-fold obligation to continue their good work and eliminate the weaknesses they have shown so far.

Union Role, Management Conflicts

Warsaw ZARZADZANIE in Polish No 7, Jul 85 pp 16-18

[Interview with Alfred Miodowicz, chairman of the National Confederation of Trade Unions, with Tadeusz Bonik and Tomasz Uchman: "To Cut a Path"]

[Text] [Question] One of the tasks of trade unions is to care for the firm. How is that to be interpreted?

[Answer] It is in the interests of the trade unions that the firm or place of work function effectively, grow and be prosperous. If the firm is beggarly, it cannot give its people secure employment, proper wages or satisfaction from their duties. This is so often caused by inefficient management, poor organization of work and ineffective internal cooperation. People do not worry or tire themselves so they don't get results. It is therefore understandable that it is hard for trade unions to function in such a situation.

[Question] Do you not feel that unions can become competition for worker self-management? Maybe you would prefer to use the word "cooperation".

[Answer] To the misfortune of most of us, some theoreticians and practitioners try to present worker self-management and trade unions as two sides of a coin or two legs supporting reform. If you want to look at the matter that way, we do not know whether these legs will go in the same direction. For that reason, cooperation with worker self-management is also a matter of importance to the trade unions.

[Question] In relation to the tasks and role of worker self-management in the firm, the program of the trade unions is much broader. Let us say that worker self-management only deals with the affairs of the pocketbook. Can this not lead to drastic conflicts? We have already seen signs of this.

[Answer] In my opinion which is, of course, my own opinion, the conflicts come from very minor causes. Who was first? Who is most important? Who enters the director's office first? This is usually what these conflicts are all about, this pseudo-prestigious pomp. We do have however self-management bodies, although very few, that are very systematically destroying the trade unions but they are the exceptions. Cooperation with worker self-management is a must.

[Question] There are not only conflicts with worker self-management but also those between unions and plant management.

[Answer] A lack of understanding of the value of the social factor is first of all caused by the fact that, unfortunately, some directors are generally not fit (I am not talking about education or training) to carry out their function. The second cause of this is custom and trends. I am a manager now and I will show them what good management is! But a director cannot do much alone because the independent firm is in most cases a fictitious entity. To make themselves feel better, many directors dress themselves up as great managers.

[Question] How then can we enhance the role and situation of trade unions in their places of work? On what does this improvement hinge?

[Answer] To a large degree, the unions themselves and the union aktiv is responsible for their situation. In other words, this depends on the caliber of the people in the unions. But it also depends on the attitude of the director.

[Question] What sort of person should a director be if not a manager?

[Answer] He should be a normal enlightened person, one that is open-minded. We have too many specialists in these positions. I remember that at the Lenin Steel Works the worst director was a great specialist, one of the best blast-furnace specialists in CEMA. There are many directors like him.

[Question] In your opinion, is the job of director a function or profession?

[Answer] For me, a director is someone who has broad views on general matters and has an oversight on the firm as if he were looking at it from a helicopter. He is well-oriented to the mood of the workers and has the ability to hire good people. On the other hand, in Poland the director gives technical recommendations, is involved with details and loses a lot of time in various meetings. At the Lenin Steel Works, we once conducted a study trying to find out how much the management cadre was burdened by meetings and conferences. What did we learn? The five directors who were then supposed to be involved with conceptual thinking only had 30 to 90 minutes a day. These were good specialists who had been trained before the war and were working 14-16 hours a day.

[Question] Not much has changed since then. One scientific report has stated that the contemporary director in Poland works an average of 11 hours a day but the economic results are still very contrary. Let us go back to the conditions under which the trade unions are operating in our places of work. People are only one side of the coin. Regardless of their views, likes and dislikes or emotions, there are certain rules and standards of action. How well do you feel the management cadre and union activists at plants understand this? Do both sides know when they should consult each other?

[Answer] Both sides have a poor knowledge of the rules and legal standards. They get by on their intuition and good or bad will...

[Question] How then can the trade unions make themselves more "independent" of the administration?

[Answer] They can do this through using more initiative. There are ways for them to be independent.

[Question] On what does this depend?

[Answer] The union's base. It is hard to be an independent, self-motivating union when only every fourth or fifth worker is a member. When the union has a small base of support, it's role is small. Anyone can say: Who do you think you represent?

[Question] In the USA, about 25-27 percent of all workers are unionized but those unions are still strong.

[Answer] But their strength does not come from their base alone but from the ability of a small group to make itself heard. They are internally strong thanks in part to their material independence. Things are different in Poland. Our union dues are low and we give little. If the monthly dues were, say, 1500 zlotys, the unions would have something to pay lawyers for unworked time and would be a real support for their workers. Then, even a smaller base of members would still make strong unions.

At an important meeting once, I said that it would be very good if 50 percent of the workers belonged to our unions. We are interested in gaining more members but not at any cost. After all, isn't this the argument our national opposition uses? The number of members and much here depends on our actions. People observe the work of the federations and the OPZZ. Our battle with the government is unfolding before their very eyes.

[Question] As a director of plant unions, what would you do in this difficult situation? In view of the unions' goals and conditions, how would you begin to act?

[Answer] Above all, I would examine the union cadre. This is a matter of fundamental importance. The level of the cadre must satisfy the tasks that it has to carry out. It may be a very raw group of people but it is enough if we can organize their work and in the course of that see their tasks grow like yeast.

The other matter is to know exactly what the problems of the plant are, all of the sections, even the hot sections. Every plant has its own specific problems and operations. For example, in a steel mill, such a hot section, and not only figuratively, is the work at the blast furnaces.

The third thing is that we absolutely cannot become detached from our background. This is even the most important thing to consider. When you have started working at the upper levels of plant management, you cannot afford to forget your old work crew. That is where you can best learn what people think and feel and what the psychological conditions among the workers are like. In this regard, the situation is presently very bad.

Meanwhile, in terms of union work, I would absolutely not begin by regimenting the plant. This creates incredible tensions among the workers and causes unnecessary divisiveness.

[Question] And job safety, health care. What should unions do in this area?

[Answer] This is where I see real dangers. First of all, who works in the industrial job safety service? Exploited people or those not fit for any other job. Job safety service is treated like the last stage before retirement or a form of convalescence after accidents. The situation of these services makes it even worse. A job safety technician or inspector is directly subordinate to the director for whom he works. In connection with this, the director uses him, as the workers put it, to cover his rear end. If there is an accident that cannot be covered up, then something has to be done to minimalize responsibility, to keep it from going past the foreman.

[Question] But the law established the Public Labor Inspectorate.

[Answer] That does exist formally but I think that it will take two years for it to get on its feet. The trade unions should try to stand guard over the inspectorate but we have so many internal problems. In essence, the aktiv is expendable but this job safety field activity also requires a certain amount of knowledge and as we said that is presently not at its best with this service.

[Question] However, most union activists are not that young. They have a certain amount of knowledge that goes beyond their place of work.

[Answer] I agree, they are young but not in their careers. On the other hand, very young workers once belonged to the union but they were never really activists.

[Question] However, the matter of job safety should be one of the main concerns of the plant union organizations. This is proved by increasingly frightening statistics.

[Answer] That is true. Statistics do not even tell the whole story because many accidents are hidden from view. They also gloss over the problem of job-related illnesses. Certain illnesses associated with work are not even considered job-related illnesses. For example, this is true of back sprains among textile workers. The rules are such that the statistics will not be too bad.

But the problem of job safety is really serious enough that directors have completely forgotten about it [sic]. It was once a matter of principle that there is no money for anything but there had to be some for job safety. The director's only problem was how to spend these funds. In the fourth quarter began the race for shoes and shirts just to find a way use up the job safety funds. Whether or not these funds were used well is another question. Now we no longer have them.

[Question] But accidents do not occur because of a lack of shoes and shirts.

[Answer] That is also part of the great problem of humanizing work. We do have to deal with an increasingly thoughtless attitude to workers. Directors complain about a lack of workers but they absolutely do not want to reward the ones they have. This is true not only in state-owned industries but also in the cooperatives and craft guilds. If it were possible, workers would be treated like part of the machine they operate. Fortunately, people are aware enough and know enough about the law to not let themselves be treated that way. In this regard, the unions themselves are not all that necessary.

[Question] Then what is the role of the unions?

[Answer] A hard but unambiguous one. The regulations on job safety are very precisely stated and the authority of the trade unions in this regard is very narrowly defined.

[Question] We were asking about the role of trade unions in the humanization of work.

[Answer] They have an enormous role. This is an incredibly important problem. However, the unions alone can do nothing. The problem begins with education of young cadres and the selection of people for management positions. I once took part in talks connected with advancement. At the table were seated the director and some representatives of the plant aktiv. "Hear now," said the director, "who will we make manager of this or that plant?". "Hmmm...," thought the activists. Then each one proposed one or two names. In the end there were 6-8 names to choose from. This is what a rich cadre we now have! Let no one tell me about cadre reserves, well though-out work with candidates or advancement policy. It is all fiction. It's the same with director placement competitions. I know how that is done. You know who will win. There is a leader and that is who wins. He has already talked to

the people he needs to talk to and that is what counts. Even the best rivals do not have a chance.

[Question] Do you think that trade unions should have some influence over the appointment of directors and managers?

[Answer] They should. But the advantages of this can only come through if the union representatives can appreciate the problem of humanizing work and therefore be able to evaluate manager candidates on that basis.

[Question] The unions do have their representatives in self-management and can through them influence the selection of management cadres.

[Answer] That is true. The percent of unionists in self-management organs is about the same as it is among the workers, that is, about 20-25 percent. Of course, they can and should represent the union's position but we still do not know how to work with our representatives. It is only that way in our plants. We, that is, the OPZZ, have our representatives in the Sejm Social and Economic Council. There are 12 of them.

[Question] Like the 12 apostles...

[Answer] Exactly. The union organizations should invite these people, meet with them, ask them what they are doing, let them know what problems they should deal with, in other words, they must treat them like our own functionaries. However, we are still unable to do that. We also have our representatives in the people's councils and we cannot discount this fact either. But if it involves some concrete problem, let's preschool space for children, then you go to a friend for advice but that is no solution.

[Question] From what we have so far discussed, it seems that we should conclude that the trade unions have a very weak position in different work places. In practice, no one considers them and they are treated like all unimportant partners.

[Answer] I must say that I am very close to having the same opinion. The trades unions are indeed not seriously regarded by all and they must cut a path for themselves. But that will not happen because the union law was updated. Authority is not gained through legislation but on the strength of one's own position and stubbornness.

Legal solutions only clear up certain problems. The people's best weapon is their knowledge and character. A man with character will reach his goals. An example of this is the chairman of the union at the Bierut Steel Mills in Czestochowa, Andrzej Gwiazda, or Jagielak at the Zawiercie Steel Mills. Their organizations have the support and membership of 70 percent of the workers there. They fight uncompromisingly, antagonize nearly everyone but they do it for the good of the workers. They amaze people used to submission but also compel their respect. And the get involved in all sorts of problems, not just the big ones. Their program has included the organization of fishing contests for the steel workers. People are thankful for that because man does not live by work alone.

To conclude, I would like to share some reflections of a general nature. We have complained out hearts out but the fact remains that about 5 million working people belong to the independent self-managing trade unions. I think that this attests not only to the a tie to these organizations but also proves recognition for the work we have so far done.

[Question] Is that also not the result of certain means used to entice people to join up?

[Answer] The only incitement to join should be recognition for what we are doing. I was, am and will be a strong opponent of other ways and means of persuading people to join us. No pressure at all can be used. We cannot convince everyone all at once that it is worth joining our unions.

[Question] Mr Chairman, you have a miniature bust of Hiram Cegielski on your desk. Why is there such a cult surrounding this man?

[Answer] I myself am from Poznan but that is not the main reason. Cegielski was a man that under extremely unfavorable circumstances and innumerable difficulties succeeded in making something from nothing. Those are the sort of people we now need.

PZPR Hosts Nationwide Self-Management Meeting

Warsaw TYGODNIK ROBOTNICZY in Polish No 7, Jul 85 pp 16-18

[Article by Bogumil Holda: "Time of Self-Management"]

> [Text] Various unbelievers and people doubting the changes of socialist renewal and the progress of social and economic reform are presenting increasingly stronger arguments taken from life and everyday events. The number of these arguments was also increased by a meeting of the first secretary of the Central Committee and premier, General Wojciech Jaruzelski, with a group of 49 representatives of worker's councils at

state-owned firms from all of the different provinces of Poland.

For people familiar with the problem as well as those strongly involved in all that is extremely important to the growth of Poland and the Polish economy, the realization of worker self-management is a type of litmus test. Are we continuing to take the right directions to democratize key areas of our lives, to reach a national agreement with the working class in a dominant position and in struggling with our political opposition? Are we not passing signposts that show us new roads to the memorable events dated by the worker protests of August 1980?

Questions, doubts and even dissension are normal phenomena in the life of our country. We have not been free of difficulties and tensions but our economy which has been reformed for the last three years is finally seeing the light at the end of the tunnel. Those who have been through different stages and seen the ups and downs of the worker self-management movement have the right to ask whether certain bad experiences and certain slogans are being repeated and whether it is turning out to be the case that arrogance, bureaucracy and dry and unquestioned regimentation are not returning.

Opening the latest and not the first (but in different scenery in the Central Committee headquarters with different participants) self-management meeting, It was no coincidence that Army General Wojciech Jaruzelski quoted a fragment of the Resolution of the 9th Extraordinary PZPR Congress, a program for the development of socialist democracy, consolidation of the leading role of the PZPR in socialist construction and the country's social and economic stabilization:

"The Congress stated that the consolidation of socialist democracy particularly demands the creation of worker self-management in firms, worker self-management armed with enough rights to make decisions and monitor work to satisfy the aspirations and needs of workers, especially those in key industrial plants...".

The underpinnings of this formula of such great importance to our government is the idea that the reconstruction and consolidation of trust between society and the government may only occur under the conditions of socialist democracy, the growth of which is indispensable for the socialist political system. The PZPR has become the spokesman for realization of the idea of popular rule, full participation of Polish citizens and especially the working class in ruling the state and managing the national economy.

From the chronicle of various records, one can see the consistency and determination of the highest party and state authorities to continue the direction that we have decided to take. The 3rd Plenum of the PZPR Central Committee was devoted in its entirety to the problem of self-management and independence. The famous "worker's sejm", in other words, the 16th plenary session of the central party instance and the latest 17th plenum were also involved with the problems of self-management. In as much as it is independent, self-management that is more and more often becoming involved in the self-financing of firms has not been thrown to sink or swim on its own in deep waters. As was pointed out during the meeting, it has strong support in the right commissions such as those of the Central Committee, Sejm and Council of State and similar such commissions are coming into being in the provincial people's councils. Minister Ciosek also has a bureau on worker self-management affairs that is situated within the Bureau of the Council of Ministers.

As we see, there is much good will and helpful attention given to worker's representative organs. In the same spirit, there will in the coming weeks be meetings with worker self-management officials in the various provinces and ministries.

The Central Committee Politburo last week again took up the subject of worker self-management and stressed its importance and permanence: "The worker's councils and their officials are one of the most important pillars of economic reform. The party and state officials support the growth of worker's councils and their influence on production and economic decisions in places of work".

It was no coincidence that following the Politburo meeting the very same day, there was the much-discussed meeting of self-management officials. To put it simply, self-management is a living need, an important trump of social vitalization, an achievement of the human passion to quickly overcome problems and liberate public energies that are our country's richest potential not only for today but also for coming years and the distant future.

The watchword, let the working people more boldly take their problems into their own hands, acquires more urgency not only during worker's council and self-management elections for the second and sometimes even third terms but is also of great significance to the October Sejm elections. In essence, we need a new model for social relations in in socialist Poland and we must enrich our program of renewal and rebirth. In this we also find a way to break all forms of impotency and passiveness and the key to a better future which is something that cannot be imagined without a national mobilization of forces.

These truths were driven home in statements by the government plenipotentirary on economic reform, Wladyslaw Baka, the director of the Central Committee Social and Professional Department, Stanislaw Gabrielski and the chairman of the Sejm Commission on Worker Self-Management, Jozef Barecki, and more than 20 other speakers representing worker self-management.

The complicated threads of the systematic streamlining of economic reform and the previous experiences that workers have had in self-management that are not free of certain lapses and imperfections have become entwined with daily problems in the activity of civic leaders. They are a considerable force and a serious potential. Altogether more than 11,000 worker's councils are in operation and they contain more than 130,000 members. Most of the members are workers but one also encounters energetic specialists and they have had a positive influence on the competency of these bodies and their ability to undertake important causes and share in the making of decisions with a full sense of economic prudence and responsibility.

Often controversial statements attest to the fact that the worker's self-management activists are worthy partners not only in their own places of work but that they are also able to see very keenly into national affairs and understand the mechanisms of economic reform, its imperfections and the intricacies of management.

Indeed, the remark was made that "properly chosen" or at least above average worker's council chairmen may be invited to Warsaw. If this were really to be done, it would reveal the chairmen whose example should be followed.

The economic and legal education of self-management activists definitely has a future, especially since changes are being made by the worker's council elections and new people are coming into the councils. However, real experience and knowledge comes from practice and action in the unique "universities of life".

An extremely sympathetic and highly telling characteristic of self-management activists was their earnest position on how the arrangement of relationships and cooperation between trade unions, party organizations and plant management. The have applied common sense, political insight, good ethics and their desire for the good of all to all legislation including the updating of the trade union law. This is most of all a sign of their valuable ability to associate group and local interests with national interests that go beyond matters of their firms.

As we know, it is worthless to give undeserved laurels. For everything that has been achieved, let their be real recognition and well-deserved satisfaction but we cannot close our eyes to existing shortcomings and weaknesses. How much disorder is there still to be found in our industry and firm self-management? We still see pitiful organization and low productivity, sometimes even ordinary conniving, bad management and outright illegal squandering. We often have to pay for the work that still has not been done. For example, there is the alarming fact that in the last few months, the growth in wages has exceeded by many times the growth in labor productivity and this casts some doubts on the main goals of this year's social and economic plan, controlling inflation and balancing the market with the economy. The consequences may be sorrowful. Who needs this?

It is a good thing that these unsettling affairs were not disregarded during the exchange of views and opinions. In his remarks concluding the conference, General Wojciech Jaruzelski said that "Worker self-management must be the guardian of economic realism". For worker self-management to work more efficiently, it must take itself along with the advances of economic reform down to the people, to every production shop and to every work place and every worker. After all, the self-management body is the entire work crew.

Before the meeting had started, one of the self-management activists said in passing in the lobby: "I wonder whether the central authorities know that if they are to overcome the crisis, provide economic growth and increase public activity, they must strengthen self-management". The meeting showed that they do know this and that we will surely win this battle.

Statements at Self-Management Meeting

Warsaw TYGODNIK ROBOTNICZY in Polish No 32, 11 Aug 85 pp 7-9

[Excerpts] A meeting was held on 23 July between the first secretary of the PZPR Central Committee and premier, Army General Wojciech Jaruzelski, and a group of 49 chairman of worker's self-management councils from state-owned firms of all provinces. In a previous issue of TYGODNIK ROBOTNICZY, we published an article about this important occasion. As we announced, we are now publishing a detailed stenographic record of this meeting and presented the basic content of the speeches and discussions in which 22 worker self-management activists took part.

The meeting was a unique consultation in which opinions were solicited from the most competent persons directly involved in and influencing the production process. The activity of worker's self-management councils is one of the most important and valuable forms of socialist democracy. It is still one more distinct confirmation of the line of socialist renewal, the permanence of the party and the road taken by the 9th Congress.

How They Temper Steel

[Tomasz Kucharski, Lenin Steel Works]

We must free all of the potential that can be found in business itself without expecting someone else to come and solve our problems. We know that we have a shortage of natural gas not because someone did not want to provide it to my firm or that of my colleague but because there really was not enough to go around. In my firm, therefore, we were ready to keep our technological lines in normal operation, that is, as normal as possible so that the equipment would not be damaged or the rolling mill processes not become frozen.

That was the most important thing for us then. If our supplies had somehow been normalized, we would have had to take every measure to above all furnish fittings at the work places that determine the size of our production output.

We had an enormous backlog in the winter and especially the first quarter of the year. To a rather large extent, this backlog has by now been caught up. This really was a matter of somehow normally arranging work incentives and efficiently managing the individual stages of production so we could get our product out, even when it led to reductions in interoperational resources.

Everyone knows that steel is in indispensable material. The Lenin Steel Works produces a certain assortment of steel for the construction industry, agriculture and everyone else. Telexes and all sorts of reminders show the enormous hunger for steel. On the other hand, no one gives any special consideration on how to conserve it.

Enormous stocks of steel are lying and rusting in the storage yards of more than one firm. There is simply not any coordination between firms with regard to necessary production materials. I therefore propose organization of some form of material exchange.

If Ethics Are Strong Enough

[Jerzy Markowicz, Drilling and Mining Machinery Factory in Gorlice, Nowy Sacz]

It should be an important point for us that the greatest possible number of workers become creatively involved in the economic processes at the firm and show us the shortcomings and errors. As I told colleagues from and from outside of our region, in most of our businesses, we are still stuck on the point of simple reserves.

It is enough to see how our magnificent production halls go to seed in winter and how, let's say, fuel and natural gas is being used in furnaces. There is a series of extremely simple problems...

It seems to me that there continues to be a crazy sensitivity, almost an allergy, among worker's councils to any situation in which they feel that their legal rights are not being respected.

Cooperation between various elements depends above all on the personal ethics of many people. If those ethics are high enough, then despite the fact that there may often be some friction, certain positive principles will be established and fruitfully realized.

Ravaged in the Pocketbook

[Jan Boreczko, Bialystok Furniture Factories]

The firms that in 1982 gave considerable pay increases without tying them to increased productivity are now in the best financial situation. They have achieved a better starting point and do not make payments to the State Fund for Professional Activation [PFAZ]. On the other hand, it is sometimes the case that firms like ours that have tied pay raises to increased productivity rather than to increased product prices are now wrestling with various problems such as low wages and a lack of workers...

I feel that the firms that have tied pay raises to increased productivity and now have low wages should be given assistance in the form of fund exemptions, tax reductions and other preferences.

Firms like furniture factories that produce consumer goods have the hardest time achieving good results since on one hand their material costs have gone up a lot and on the other hand the central distribution of our products has resulted in a considerable increase in the costs of sale because of insufficient coordination of sales with the supply of materials.

Without Relief Tariff

[Stanislaw Gorny, China and China-Ware Works, Pila Province]

The activity of our worker's council was not and is not a string of successes. We have made mistakes and had failures and are not regarded as being the wisest group in our firm or the ones who best know how to care for the interests of the workers and firm. Self-management is a thing that must be learned and we are still learning. We often fulfill all requirements right from the start. We outline technical and economic tasks, assess their realization, make decisions on permanent property and distribute profits. In other words, we use the authority given us by the law and this this comprises the bulk of our activity.

In spite of our great willingness to work, these activities have not brought us an increase in labor productivity or quality of work. For this reason, we are very dissatisfied with ourselves.

The latest serious attempt to more effectively bring about improvement in the quality and productivity of work was the use of strong economic incentives. The motivational system of wages introduced in December last year did cause a considerable increase in productivity in the first and second months of the year. The effect however was not a lasting one and made itself felt mainly in greater output in terms of measurable quantity.

Nevertheless, introduction of this system made it possible to straighten out certain of the firm's problems and it should be seen in a positive light. The next action was our introduction of extra bonuses to technical supervisors each time that they exceeded a certain level of production.

Our firm is steadily producing. We have good economic results and are regarded as one of the best. We also know that we can still find greater possibilities for improving efficiency and the great amount of talk about grants and tax reductions alarm us...

Export -- the Favored Son

[Genowefa Aulich, Cotex Knitting Industry Plants in Plock

The level of export production has already reached 50 percent or, in other words, three times that of 1980. This gives us income tax reductions. Export compels business to act more efficiently, organize work well and encourage greater quality and output.

Now and in the future, it is these elements that will determine the further development of the plant and our country. Thanks to export trade, we have an a better list of products and patterns, our products are cheaper and are demanded by the market. We find this satisfying but this is not a product of our being good-hearted but of our calculated policy.

I mentioned satisfaction with the work done. We are also quite satisfied with the very important matter of the attitude that the members of our work crew have toward the results of production, the activities of certain social, political and professional organizations and finally to the effects of their cooperation. This attitude has recently undergone a certain amount of change. The main reason for this change is the low wages that our plant provides in comparison to the rest of the province, nation and industry.

We are more and more often asked: since we are achieving good results in production, increasing our exports, producing more and have a very low level of employment in nonproductive positions, why do our average salaries fluctuate so much in spite of the income tax reductions? We are falling further and further behind.

Our workers are aware that we must modernize the plant and build new housing which in turn means that we cannot pay the PFAZ. The reason that our average pay varies so much is that we started the economic reform with a very low monthly pay of 5000 zlotys.

Ever Fewer Questions and Doubts

[Jozef Barecki, chairman of the Sejm Commission on Worker Self-Management Affairs]

The discussion has shown that the chief domain of activity by worker self-management at this time is economics. This means that worker self-management has already passed its period of "adjustment" to the regulations of law and there are ever fewer questions and doubts. The questions that still trouble the self-management activists involve the length of their term of office, for example. Our experience to date has shown that there need not be any changes made here.

The same can be said of proposals to update the law on self-management. If we are not to treat it as a set of "dry" regulations but out it to practical use, the problem of updating the law is now a ripe one for discussion. The way in which the law has functioned in several thousand businesses has not shown any need for changes. As the most recent NIK [Supreme Chamber of Control] monitoring of the law's realization has shown, the present state of the execution of the law is much better than before.

Thus, for example, cooperation between self-management organs and other social and political organizations functioning within plants has, after a period of certain confusion and arguments about lines of authority, now worked itself out without problem. A powerful partner for self-management has emerged -- the trade unions. In spite of this, there has not been the predicted confrontation between these organizations. The good will and common sense of the people has won.

The speaker said, "We must also point out the fact that self-management does not always know how to make use of the rights given it by law and especially their established authority. Fairly often, it is only formally that they adopt a resolution on the plan without looking any further into its structure. Self-management is not making sufficient use of its right to monitor".

In response to questions by workers in the self-management councils, the speaker stressed the need for broad representation of the working class in these organs. "We cannot separate ourselves from our lineage, from the roots of self-management," he said. "Self-management has grown out of the will of the working class and its party. Worker participation in management of the means of production could only take place in a socialist state. We cannot limit the participation of workers because any restrictions would deprive worker self-management of its authenticity and negate the sense of its action.

Virtues and Weaknesses of Self-Management

[Stanislaw Gabrielski, director of the PZPR Central Committee Social and Professional Department]

Worker self-management councils are presently functioning in 6387 firms. There exist more than 11,000 worker's councils in which almost 140,000 members are active almost every day. Workers dominate within these councils but there are now also many union members as well. Analysis of the present results of elections to self-management councils in 3000 firms has shown that about 40 percent of the former activists were re-elected. This shows rather significant fluctuation.

The interest of worker self-management in economic problems has grown systematically. It has been estimated that these tendencies have emerged in about 70 percent of the worker councils. On the other hand, about 30 percent of the councils are characterized by passivity and sluggishness or also by excessive concentration on social problems and complaints. There has been observed a growing interest by party organizations in the activity of worker self-management councils. This has set their socialist character and activated the councils to work on improving management efficiency.

Generally visible is an improvement in cooperation between worker self-management and the trade unions. The number of disputes over areas of authority has decreased and interest in cooperation has gone up. We have also observed that the strong self-management councils and trade unions supported by workers are increasingly cooperating in a proper fashion and that has been a benefit both to business and workers.

However, certain negative sides in the activity of self-management councils have also become visible. In some firms, people desiring to introduce elements unfavorable to the interests of the working class sometimes try to take over the councils. This is, however, a fairly marginal phenomenon. Unfavorable phenomena are also periodical tendencies to limit the rights of self-management councils and a refusal to consider their authority. Such attitudes will be consistently eliminated.

We must work to see that the self-management councils become forces encouraging development and growth in management efficiency, improvement of work organization and introduction of scientific and technical progress. This is where their efforts should be concentrated. No less important is the creation of conditions that can broaden worker influence on their firm's activities and encourage active attitudes. Still better training of self-management activists and a better knowledge among them of economics is also indispensable.

Worker self-management arose from the spirit of the 9th Congress and is an institution of socialist renewal. The development of self-management is an idea deeply embedded in the principles of our government and the theory and practice of the party. This is why the policy to strengthen and develop these councils has become a permanent strategy.

Struggling Against Impotency

[Alojzy Sobol, Marcely Nowotko Steel Works, Ostrowiec Swietokrzyski]

I have the honor of being chairman of the second term of our worker's council, despite the fact that I am a worker and a toolfitter for continuous steel casting but not a party member. The workers at our plant elected me for the next term of office. As far as our achievements go, the most important one is that we have gained control of the situation in our plant repair work. At the recommendation of the worker's council, we have introduced standards for replacement parts and steel foundry equipment. We are doing most of this work on our own. For this goal we have also reserved a proper amount of our production force. We are rebuilding spare parts that would otherwise have to be imported. This is the great achievement of the worker's council.

With regard to self-management as a whole, one must be aware of the fact that simple reserves have come to an end in all of our industry. The worker self-management councils have a great chance to show what they can do this year. There is no trick to management when you have everything you need but it is a trick to manage well when you work under shortages. There are difficulties in the supply of natural gas, charge, scrap metal but in spite of all,we must act faster to keep up with out social and economic planning.

The most important problem that we have now become involved with is changes in the structure of employment. Work in this area has already been finished and by the end of the year we will have made changes improving production processes.

Keeping Their Jobs

[Jerzy Medrala, Predom-Zelmer Mechanical Home Equipment Plants, Rzeszow]

The greatest difficulty in the work of all of the firm's organs under the new conditions are brought about by the old habits of the management. If the directors have already become convinced that reform should be introduced, then the middle-level management, educated under the old system, cannot seem to get into line with the new ideas and carry out reform in their own departments.

As long as reform does not make its way to the work place and production division, we will not be able to say that it has been completely introduced. It is the work place and the production divisions that will give us the best results.

Let us look at the employment situation within the firm. There are complaints everywhere that in the administration there are useless positions and that it would be better to change the proportion of directly productive workers to nonproductive workers, especially those in the administration.

The worker's council as Zelmer has passed a resolution to reduce the employment of mental workers and nonproductive workers by 10 percent and convert these positions to directly productive work. What happened?

Once the resolution was passed, there was such pressure from the workers that the council had to back off. The one thing that remained after all of this was the director's order that when a worker leaves and no one is hired to replace him, the money that he would normally be paid is distributed among the remaining workers and who assume his responsibilities.

Although this order has already been in effect for 6 months, our firm has not had s single such case...

High-Handedness of a Monopoly

[Jadwiga Roguszczak, Unitra-Toral Electronic Works in Torun]

Realization of a government order theoretically guarantees a supply of materials. Our cooperating partner received from us a million dollars at the end of last year. This comes to 50 percent of the hard-currency investment covering 50 percent of our annual needs. Our partner did not sign any contract with us because he was a self-managed firm. In 5 months, he realized 10 percent of our needs and then informed us of a temporary halt in production.

An alarming letter from our self-management council went simply unanswered. Our plant was saved by an emergency import. To our planned 5 million dollars, we still had to add an extra two million. Is there really not anyone is the ministry of chemistry strong enough to do something about this?

This is also true of material supply and cooperation in other branches of economic life. In my opinion, this comes from the high-handedness which is often identified with self-management.

Does a plant which has invested in the purchase of a license not have the obligation to produce? Being aware of the nationwide program to introduce electronics and automation, should it not think about increasing its production capabilities? These actions must be planned today. Realization of a program of electronization must assume a guaranteed supply of materials and that be must hold true throughout as much as possible.

What I have just described is the sad case of the Laminat plants which was discussed at every meeting of our council in the first half of this year. This was a life or death matter to us but there was not much that we as a self-management council could do.

We still face our greatest problem. How are to do deal with such a supplier in the future? Maybe an antimonopoly law would help us.

Losses Are Decidedly Too Great

[Wojciech Wolski, Wloclawek Nitrogen Works]

Last winter just did us in. From 1 January to 13 March, our plants like all others in the nitrogen industry were painfully affected by limited supplies of natural gas and fuel oil.

In the final phase, the situation became so bad that practically the entire works came to a standstill. Only the boilers for heating pipelines were operating. Please comrades, let us not fool ourselves into believing that we can make up the losses. Our factories are already working around the clock.

There are only 24 hours to a day and the pipelines can only carry so much material.

Unfortunately, it doesn't help us any to work on free Saturdays, Sundays and holidays. We are working around the clock. Because of its limited production, the firm is losing money from sales. On the other hand, costs have gone down a little but that is mainly because such permanent costs as investment interest, depreciation and taxes amount to nearly 40 percent of our overall costs. Our firm has begun to operate at a loss. It has become a poor partner for the bank and for many of the businesses of those who trust us.

It has turned out that our losses, which have amounted to about 1.5 billion zlotys, are comparable to those of the Pulawy Nitrogen Works which are comparable to those of Oswiecim, Tarnow and Kedzierzyn. At one of our association council meetings, we asked ourselves whether these losses have to be so high. We looked at the problem from a technical and economic perspective and it turned out that it was the unwilling attitude that some people have toward reform that was doing us in. Comrade Premier, how can we operate a modern installation under such conditions? The nation's supply of natural gas should provide for some growth and this is what we expect at our plant.

Plain As Day

[Ryszard Kudlak, Ostroleka Cellulose and Paper Products Works]

Under the centrally dictated system of distribution that we have had up to now, our plant has reached the limit of its production capabilities after 20 years of operation. We have no prospects for growth and our unmodernized stock of machinery has been intensively operated and is deteriorating rapidly.

We have recently devoted much time to the problem of modernizing and realizing a program of restoration throughout our branch. The neglect that this area of our industry has suffered for various reasons must be made up for very quickly. After all, this is what the 22 October 1984 decree by the Presidium of State did order.

An essential barrier has been the lack of executive authority and forces where all of the available private and state-owned firms can be committed to this work. Worker groups are being established in different plants but some of the tasks requiring specialized heavy equipment and highly-trained engineers and technicians can only be performed by certain specialized firms. I am referring to firms such as the assembly and construction firms of the energy industry.

Unfortunately, no one else is in a position to build a soda boiler. That may sound like a paradox but we are thankful that the economic reform piled these problems up in front of us since it has only been under the reform that all of the weak points in the facade of the paper and cellulose industry including those in our plant have been made as plain as day. That allows us, after realization of modernization and development programs, to commit ourselves to the tasks that the entire economy sets before us.

The Workers Should Decide

[Zygmunt Swierszko, The Barka Fishing and Fisheries Service Company in Kolobrzeg]

As of now, we still do not have an excess of prudent and responsible activists that understand the rules of managing people and state property. This problem has been especially noticeable during the economic reform process. In spite of this, this is the right time to give those who want to take active measures for further economic development of our country a chance to use their brief but rich experience for the good of all. Whether one person or another is to be active within a council for one, two or more terms should be decided by the workers themselves who would elect their own representatives in general elections with direct and secret balloting...

I have deep respect for all institutions that are entrusted to monitor the activity of state-owned businesses but I would also like to say that the best censor of the work of the self-management councils is the workers. Every work crew wishes to work calmly, increase the wealth of all Poles and is fully aware of the fact that its own good work can help meet the needs of the firm and their families.

Today's technology and economic knowledge in the hands of the worker's councils becomes a weapon against stagnation and incapable management. Within its own firm, a worker's council appoints directors through competition. These are therefore all of the good prerequisites for the further good growth of the firm.

Breaking Through the Bureaucracy

[Zbigniew Kasterski, Warta Cement and Lime Productions Combine]

In the case of the worker's self-management council in our firm, there exists the conviction that the achievement of full independence is a difficult and very long process and not one that can be planned at the start of reform. We regard our chief accomplishment to be breaking the bureaucratic habits of the management.

In this case, the reform was properly understood as a process of socialization of firm management. At the same time, in many of our actions we still adhered to the legally guaranteed principle of one-person management of state-owned business. The main difficulties in the activity of the council were and continue to be the social, political and economic situation of the nation, the lack of market equilibrium, limited supplies of raw materials and materials, difficult access to the means of production and spare parts. Distribution of these means on one hand limits realization of yearly plans and on the other hand makes it impossible to introduce a long-term policy for development of the firm and meeting the needs of the workers.

Serious difficulties in the work of the self-management councils and the firm have been created by the unstable legislative situation. The considerable number and changing nature of legal regulations has made it difficult to understand the mechanisms for defining the principles of business activity. Legal regulations, in our opinion, should be unambiguous and as stable as possible. This would certainly help the councils in their everyday work.

Our worker's council has and continues to feel need for partnership with strong trade unions.

A Painful But Necessary Measure

[Wladyslaw Baka, Government Plenipotentiary for Economic Reform]

The problems discussed by the chairmen of worker's councils tend to lead to two basic conclusions. The first is that the reform has revealed the weaknesses of our economy. For that reason, many of the firms that were once prosperous have now found themselves in difficulties and problems. This proves that to a significant degree, they were operated at the expense of others. Reform was a painful but necessary measure. There is no way we can just patch over the holes in our economy or use temporary measures to cover up shortcomings. The second conclusion is that the economy cannot suffer without firms feeling the effects. Investment, supply and currency problems must be "taken" to businesses because that is where the entire success of our economy is decided. This is a matter of overcoming barriers and making understood the obvious truth that only more efficient management can achieve better results.

The speaker pointed out difficulties in giving all firms an equal chance to carry out reform.

Examining with the problem of wages, he mentioned that 5 new principles for creating wage funds are to be established. These principles will be adapted to the specific problems of individual areas. However, there can be no tolerance for "pay disputes" in firms that have raised wages far beyond any increase in labor productivity. On the other hand, a different view will be taken to the problems of firms that have exhausted all means of increasing their wage funds even though their labor productivity is satisfactory and there are no ways to make it even better.

Government information will soon be published on material and equipment supply. Relatively early announcement of this information will be an important prerequisite to the establishment of future plans in firms. It has been assumed that operational programs and government orders will take up more than a quarter of the supply of raw materials and materials. There will be no possibility of increasing this pool since supply preferences would otherwise make no sense.

We are aware that some of the criticism aimed at us is valid. After considering the experiences described to us today, we know that some of these errors could be avoided whereas others were inevitable. We have accepted certain observations concerning the possibility of better managing our limited production resources during hard times such as the last winter. On the other hand, however, many decisions are the result of firms trying to hide their real capabilities and potential.

Actions by firms to take advantage of weaknesses in the mechanisms of reform in order to achieve immediate and undue profits should be punished. Factories should not be allowed to blackmail each other in the course of cooperative production. The government will soon present a bill for a law against monopolies.

Something for Something

[Stanislaw Baranowski, Zambrowo Cotton Industry Works]

Comrade Gabrielski brought up the matter of the distinction of self-management activists. I will not make any proposals but leave that to others, however, I do feel that we should do something to distinguish self-management activists. It has often been the case that a self-management activist receives much less than a passive person who takes no part in any organization. There is much public work to be done! As far as pay raises go, we should give something for something.

This year we signed an agreement with our ministry under which we are to produce 274 tons of thread because the plant is involved with this type of product and we gave an additional 500,000 meters of fabric. For that we will be able to apply 13 million zlotys to one-time awards. We still have not touched this money because we are still not convinced that we will meet the planned quota. We must make this quite clear to our workers. This is the position that the council has taken.

Another "barrel of fish" is monitoring and remonitoring. They come to the provinces and look at everything under a magnifying glass. Reprimands are given along with rejoinders. Are the penalties not too liberal since the neglect and errors repeat themselves? We often know when the inspectors are coming and everyone rushes around so that the province rate remonitoring.

Barriers and Loss of Patience

[Zenon Chelminski, Janikowo Soda Works, Bydgoszcz province]

I feel that there is no longer any need to discuss whether reform is socialist in character. Thanks to the reform, we have achieved some economic growth. For that simple reason, the reform will continue. However, one can say that despite that, there still is a little impatience. People already want to see great results, forgetting that changing the management system and the habits and style of work is a rather long process.

I am strongly troubled by the problem of employment. Does there exist a barrier to employment and how justifiable is it to claim that there is a race between firms to raise wages or that the firm's growth is more threatened by loss of workers to higher-paying firms than by the allocation of large sums to the PFAZ rather than to development of investments?

This is undoubtedly encouraged by the instability of the regulations on the management system and by the system of grants and exemptions for motivation. I think that neither worker self-management, PZPR plants committees nor the trade unions are not fulfilling their obligations in this area.

The weakness of reform in this area should not be eagerly exploited. In the case of our plant, when the new system of pay was introduced, the large contribution to work made by all organs and social organizations became evident. In everyone's opinion, the best possible system of motivation emerged. However, under pressure from the "race", this system became somewhat distorted after less than a year.

We should not raise wages without thinking. I also feel that the present effects of the PFAZ are questionable but I do not wish to create an atmosphere in which one of the most important tasks is to carefully watch the work of a neighboring plant to find out what his position on the list might be. However, one hears such discussions rather frequently. There is much reflection over how others have juggled their high wages.

He Who Does Not Grease Palms...

[Waldemar Knec, Ilawa Automobile Repair Works]

For us, the most important problem is material supply. Since we have very often made pay raises conditional to work productivity and quality, we cannot look our workers straight in the eye as we once did. How is a one to work hard when there is a miserable supply of steel materials and we often have no supply of spare parts for the motors we rebuild?

But, to put it frankly, some of our contractors demand bribes. This is how they work: "Good, let's sign an agreement to make these parts instead of those others but just send us a kickback from your profits to give our workers who will work after hours to make these parts".

Under the new system of wages, worker pay has begun to stabilize but there were already misundestandings over the pay for June. Some professional groups demanded materials and full supply. At this time, they simply have lowered salaries.

The next concern is the bank reaction to firms that have full credit. It is true that we are working toward a system of self-financing and allocate rather large amounts to the Business Development Fund but we have estimated that a firm attains full credit status only after 30 years. Banks must simply have a more elastic policy toward the firms that do not have drops in production. They must take a more realistic approach to this matter.

In our firm, even if we set aside our finished products for our contractor, the period of payment is 25 days. And sometimes a firm has a difficult situation.

Up Against a Paradox

[Edmund Taracki, Lublin Pomatec-Falubaz Factory]

We are losing a lot of our workers to other sectors and especially to cooperatives. The labor cooperatives in our region have specialized in exporting workers abroad and this is a very attractive prospect under our present conditions. It is sad that very good specialists and craftsmen must frequently do completely primitive work. They do not stay with us, however, because we are unable to provide them the material conditions they need or the pay they deserve.

However, I have not taken the floor to lament low wages. I would like to bring up the problem that 50 percent of our production is carried out for the textiles machinery industry. We can also produce for export. Minister Baka spoke about creating preferences for export productions. We have been making products for export to both payments-areas since the very start of reform. We now face a paradox in our plant. In view of the great need that Polish light industry has for textile machinery, the Presidium of State decision nr. 7

obligated not only our plant but many others to produce a certain number of machines for the domestic light industries.

We understand the sense of this decision but no one speaks about even partial recompensation for the losses of firms that must limit exports and drop contracts that they have already made.

A Battle Won

[Boguslaw Ginter, POL Gdynia]

The initiator of our self-management council was the plant PZPR committee with the support of all of the firm's organizations including the management. Everyone realized that in the given situation of our firm, self-management would be a great benefit. The workers showed their interest by taking part in voting. In 1983, the matter of worker participation in the elections was the subject of political fighting. And we won this fight in our firm.

I wish to emphasize still one more thing: out of the 49 members of the worker's council elected in 1983, 22 of them are party members. On the average, 25 percent of our work force is party members. Please remember that our elections were universal and secret. The idea of self-management therefore received the support of the nonpartisan workers in our firm.

In the beginning of our council's activities, we were regarded with a certain amount of mistrust from all sides. Some of the party members and workers looked at us very suspiciously.

In our actions we have tried to prove and seem to have succeeded in proving that the worker self-management movement established by the 25 September 1981 law is not camouflaged opposition but I can also tell you that it is not an organization that exists to help the administration in menial and unimportant paperwork. Generally speaking, we can say that the present term of office of our council has been a time for gaining the faith of the workers and the management in the idea of self-management and a period in which self-management organs have become consolidated.

An Unused Factory

[Ryszard Kamasinski, Pafawag, Wroclaw]

Because of the sort of employment problems that we have at this moment, the factory is practically unused. We recently celebrated its 40th anniversary. We have many great accomplishments in the production of railway rolling stock for domestic use and export. I only wish to point out that in its 40 years of operation, Pafawag has produced nearly 2000 electric locomotives, 1500 popular traction sets and 5200 passenger cars. What is striking, especially to the guests that visit our factory, is the low number of workers. The firm's technical capabilities are only 60-percent used. One simply does not see anyone. We are not in a position to deal with a drop in employment.

What causes workers to leave the plant? Studies have shown that wages are important to Pafawag employees. In the first half of the year, we paid our workers an average monthly salary of 20, 140 zlotys. Without profit-sharing, the average salary was 17,995 zlotys.

I would still like to say that Pafawag has not had the good fortune to be modernized as of yet. And this is the factory that put Polish railway transport on its feet!

To make matters worse, a lot of problems are caused by contractors that use their monopolized position to dictate their hard conditions. We will do this or we won't do that because it isn't profitable for someone. We have a large railway stock factory in our own country but then we end up having to import some cars and locomotives and for hard currency, of course.

The Fleet Must Sail

[Leszek Kaminski, Odra State Maritime Enterprise, Szczecin]

In our activities, we depend not only on the opinions of the council members but we also work through the council and commissions. The members of the commission are also members of the present council that are not presently running for re-election. Other activists and highly-esteemed people are also commission members.

One thing may cause concern and that is that our fleet that will very soon require cassation. Our fixed assets make up 48 percent of our total and the fleet is not operated to its full extent.

In spite of their good work, we cannot give our employees the sort of pay raises that will keep up with inflation. For that reason, I feel that the main thing that determines the activity of our people and rank-and-file workers is the action of the reform mechanisms. If at this moment we are working well and even better than before, we have measurable results and use the same old fleet to increase our output, then we should have the possibility of being rewarded for better work. However, that is unfortunately not the case at this point.

We are planning to hold our production and exports at this year's level, despite the fact that the fleet will continue to fall apart and that there will be delays in realizing the government's program.

Our activity is carried out independently by ourselves as a self-management council and we want to buy two ships from abroad. Of course, we will pay for them with fish. About 60 percent of the fish caught will go toward paying the costs of these ships and the remainder to the market.

Sensitive "H"

[Leon Sosinski, Biawena Wool Industry Works, Biala Podlaska]

What sort of things should a worker's council be concerned with? We do not have this dilemma in our firm. Our council simply deals with everything that is important to the firm. Of course, we do not go into details. In many cases, we support the opinions of the trade unions and its decisions on social or housing problems because it is the unions that resolve these matters in detail. We concentrate on the firm's strategy but we don not ignore other areas of concern. This is all the more true as more and more workers are turning to the self-management council as an organ that can do many things.

Factory housing and the recovery of factory housing is turning everything upside down. Many workers that are no longer our employees have received factory housing. We cannot recover these apartments. My opinion on this problem was as follows: we must consider the possibility of the firms hiring a worker transferring the construction costs of a given house in current prices or having the employee buy this house under the understanding that his firm will pay him back. The plant will then have the resources to restore housing and build new apartment houses.

Like wages, this is an especially important and sensitive problem. This year we have begun to build a block of rotating apartments but this will not at all meet our employees' housing needs.

They Are Not Wringing Their Hands

[Jan Jaskulski, Myszkow Metallurgical Works]

A negative phenomenon that has recently appeared in our plant is the poor relation between pay and work productivity. We noticed this problem and came to the conclusion that we must accept extra exports to equalize this poor relation.

With regard to the performance of our tasks fo the first half of this year, our tasks have been 100-percent fulfilled both in terms of their value and assortment, despite the unfavorable atmospheric conditions which have particularly made themselves felt in the foundries and casting shops. We did not stand around wringing our hand. Our cooperating partners do not have debts. Our foreign customers should also be satisfied.

I will not speak about the legal obligations of self-management and worker's councils because everyone knows these. But a problem that has been hard for our self-management council to solve in our firm is sick leave and work discipline. Some problems with unjustified sick leave should be regulated with the participation of the trade unions because the half-measures that the self-management and worker's council have been taking will not amount to much.

Against Fiction and Compromise

[Henryk Nowocien, Warynski Construction Machinery Works, Warsaw]

People are happy in our plant and not only because the chairman of the worker's council was in the group that initiated the creation of a new trade union and therefore has his own point of view on that union. We have passed a certain point at which the worker's council and the authority of the trade union end. It seems that we have done this in a prudent manner. The union can demand much and the council can give what it has.

So far they haven't become upset with us and understand us quite well.

There is still the question of economic education of the council members. We must tell the truth and try to explain it. Let me recall an anecdote: at a meeting of the worker's council, we were discussing how much we can allot for worker raises and the sum that my group and another certain group arrived at was the same. After all of our calculations, the sum fluctuated by about 5 million zlotys. One member of our council stood up and said: "I propose that we ask for 50 million. Perhaps the director will then give us 20 million".

Some activists must be told that if they are not truthful they will compromise themselves as activists.

12261
CSO: 2600/35

UNPROFITABLE YUGOSLAV ENTERPRISES OPERATING ABROAD

Belgrade BORBA in Serbo-Croatian 5 Dec 85 p 4

[Text] The number of Yugoslav enterprises, plants, work and business units operating abroad has increased also this year but this has not been reflected in a growth of exports or profit. Judging from the date of the SDK (Yugoslav Social Accounting Service), one could rather say that the efficiency and profitability of operations are worsening, and losses are taking away most of the profits earned.

In the first half of this year 1,761 enterprises, plants, branch and representative offices, and construction sites were located in 94 countries. This is 18 more than existed last year at that time. Through export of goods and services these organizations earned 361.1 billion dinars (86 percent more than last year) and imported 173.4 billion dinars [worth of goods and services] (95 percent more). According to SDK experts, these results are unsatisfactory because their share of exports compared to that of the total economy fell 3.4 percent below that in the first half of 1984.

The coverage of imports by exports also fell. Adding to this gloomy picture of the operation of these organizations is the fact that the net income distributed by them was 17.3 percent (or 13.2 billion dinars) more than they earned. Considering that personal earnings account for 99.8 percent of distributed income, this part of the loss is exclusively the result of uncovered personal earnings.

Almost one-third of the total number of enterprises and plants (1,017) finished the first half of this year with losses amounting to 30.5 billion dinars or over twice that of last year. Losses are 69 percent higher than the profits brought into the country. Earnings (amounting to 34.3 billion dinars) are double those of last year but only somewhat more than one-half are brought into Yugoslavia.

High losses are largely the result of uncollected payments, amounting to 187.2 billion dinars, or one-quarter of the value of goods and services paid for.

In all these Yugoslav business [agencies] and production units abroad 62,068 workers were employed [in this period], or just one-half of 1 percent less than in 1984. Their average personal [monthly] earnings amounted to 165,883 dinars. The pay of these workers increased by 53 percent [over 1984], or somewhat slower than in Yugoslavia where personal earnings increased by 64 percent in this period but where the average income was 32,573 dinars.

The SDK noted that such large differences in earnings contribute to the fact that those working outside the country try to prolong their stay as long as possible and this also often explains the resistance to reorganizing the [business] network abroad.

/9274
CSO: 2800/99

INCREASE IN PRESSURE ON CHURCH IN CSSR

Frankfurt FRANKFURTER ALLGEMEINE in German 10 Dec 85 p 7

[Article by Paul Heller: "Have the Middle Ages Returned?"]

[Text] If one takes seriously the editorial introduction to remarks by the highest functionary of the government church administration in Czechoslovakia, Vladimir Janku, in TVORBA (published by the party leadership in Prague as a weekly journal for politics, science and culture) in Nr. 42 of 16 October 1985, then medieval times have returned to the life of the churches and religious communities. It is based on the claim that "militant circles of imperialism, with the United States at their head," are trying to use the churches for their policy of global confrontation, while on the other hand, church representatives are joining the ranks of peace fighters.

Janku's subsequent remarks deal with present church policy, although to begin with, he goes back to the first years of communist rule in Czechoslovakia with the statement that the Catholic Church in particular had difficulties at that time in finding its way. Janku does not mention that the party leadership at the time demanded the bishops' public approval of the changes that had occurred and were announced, with all their consequences. The bishops refused, but stated they were willing to cooperate with all their strength in building the country for the welfare of the people, and to influence the faithful in this sense. The unfulfillable demand of the state had made it difficult for the bishops to find their way among the new political developments, just as the new rulers had a difficult time of imposing their rule on the predominantly Catholic country.

Janku dumps the "historic truth" of the church on the rubbish pile; on socialism he places the obligation to "lead men to spiritual truth, to strengthen science and the intellect," to a socialism which "does not permit abuse of noble sentiments." The claims and demands of conscience, perhaps of a faithful teacher, are also "noble sentiments," and yet, they are constantly abused. And "noble sentiments" of religiously oriented parents are systematically violated in Czechoslovakia today, since parents must witness helplessly how their children are led toward atheism in the schools and even kindergartens. The personal religious feelings and Christian attitude toward life of architecture student Pavel Svanda were also based on "noble sentiments," but they led to his murder nevertheless. It would be a service to "historical truth" if Janku were to have it established one day how many faithful men, women, youths, priests, monks and nuns, because of their "noble sentiments" of faith and allegiance to the church, were disadvantaged at their place of work, in their position in society, in their training; who were marched into prisons, suffered inhumane treatment, and died there, miserably.

It sounds good when Gustav Husak, president and general party secretary, maybe tells the faithful citizens that most of them, by far, are integrated in the reconstruction work of their country. The citizens are not free to realize their religious faith in their lives, if it goes beyond participation in an act of worship; and frequently, even such participation is a reason for discrimination and disadvantage.

Janku's report computes the funds the state contributes to the church. But a closer look shows a different result. Before the state assumed this obligation, all the property of the Catholic Church, its monasteries, schools and other establishments was confiscated. One must also include how much the state took over in former religious funds, all confiscated church property, of which it still has usufruct. State expenditures for old and ailing priests and nuns are no greater than for other citizens. A civilized nation should not present the sometimes large expenditures for historically and artistically valuable church structures as charity to the churches; it also has cultural obligations of its own.

Janku then mentions the "positive tendencies" in the mutual relations between state and churches. If one applies this statement to the background of the relationship between the state and the Catholic Church, its frightening emptiness becomes evident. The picture is not brightened by the fact that talks between the two partners have been held since 1963, which have been unsuccessful overall, with the exception of the arduous compromise of 1973, dearly paid for, and the boundary settlements of a few dioceses 5 years later. There are still many points which were raised time and again by the Holy See: for example, vacant bishops' sees (10 out of 13); the obstacles raised against admission to holy orders; training of future priests hindered by the state (it is unique in today's world that a government ordinance--Nr. 112 of 14 July 1950--stipulates: "Study and examination orders, syllabi and acceptance procedures for students of theology are determined by the state church office, taking into account the proposals of the faculty council and of representatives of the churches concerned"); obstruction of teaching of religion; the outlawing of religious orders; numerous demonstrable cases of discrimination against faithful citizens.

Janku considers the "positive tendencies" disturbed. "Reactionary centers in the West are trying to foment church activities on an anti-socialist platform as opposition forces against socialist society. They want to cause unrest, provoke tensions, and, as they themselves say, foment a 'permanent war' against socialist states." For this reason, Janku says, they had been less interested in Cardinal Casarolis' appearance at the festivities, although it had contained "much of the Vatican and deeply Roman Catholic elements; rather, they had shown more interest in the conflicts in Velehrad. Reports by participants say nothing about "conflicts," but state that party functionaries there, among them especially Minister Klusak, in charge of church affairs, in addition to applause also had to accept open, loud and lasting objections by the disciplined and objective crowd.

Janku speaks of an "invitation to the Vatican state secretary by the government of Czechoslovakia." Although not all of the details are clear even today--there was something strange about this "invitation" by the Prague government. Did it not come after the formal request for an entry permit for Cardinal Casaroli? Why was it issued so late?

In this context, one must see as positive for the future a statement by the highest state church supervisor: "Not even relations between Czechoslovakia and the Vatican can be built on confrontation, but solely on mutual respect..." And he adds: "The results between highest Czech representatives and Cardinal state secretary Casaroli could mean a certain, concrete, positive step forward if further contacts are continued in the same correct spirit and in mutual respect." The coming months will show what is behind Janku's words: "On the part of Czechoslovakia, there is unequivocal interest and sufficient good will." An agreement, at least on filling the vacant bishops' sees and some other questions important for the Catholic Church, would be desirable.

But next to this fragile glimmer of hope, there are storm clouds on the horizon of Prague church policy. An influential functionary in the Central Committee of the Communist Party of Czechoslovakia, Vasil Bejda (department chief, but listed here only as journalist), is pushing them along in his article, "Where is the Vatican going?", in the monthly journal QUESTIONS OF PEACE AND SOCIALISM (September 1985 issue), in order to darken the horizon of church policy. In an article in TRIBUNA of 20 February 1985 (weekly journal for ideology and policy, also published by the party Central Committee), Bejda pursued "topical questions of ideological work." His concern was to "separate those faithful, who honestly work for socialism, from their religious illusions through thought-out and intensive efforts and with all ideological means."

In his later article, his horizon has widened. He is now dealing with the "present imperialistic instigators and organizers of a crusade against socialism who, in this manner, want to surround their unjust system with a halo" and therefore "rely on religious circles;" thus they want to ensure "moral credit" for themselves. It is U.S. President Reagan who "plays this religious card" and who wants to assign "a leading role to the right representative of the Vatican." Pope John Paul II. is not continuing the policy of his predecessors, John XXIII. and Paul VI.; he is "a conservative church functionary of openly right-wing character." His efforts for a "renewal of religion" are primarily of a political nature, since they are "accompanied by interference of rightist church circles in state affairs." As proof of "interference," Bejda cites the fight over free schools in France. It is the Pope's "new Ostpolitik." According to Bejda, there is also a "political Reagan-Wojtyla alliance," and for this reason, the Pope receives "specially prepared information," particularly on events in socialist countries.

Bejda then summarizes: "In the overall context of the role played by the Vatican on the side of the imperialist reaction in a world presently split along class lines, one can correctly understand its policy directed against the countries of the socialist community, including Czechoslovakia." Because other attempts have failed, such as for a "renewal of democracy" or "better socialism", the "enemies of socialism have come to the conclusion that the only thing they could arbitrarily use for their own political goals is the church, and the faithful. Our country became the target of hate-filled attacks by anti-communism. Fantastic stories are spread about intensively that supposedly there is 'religious bondage' in Czechoslovakia, that 'religion and church are suppressed by force.'" For Bejda, all this is a "falsification of the undeniable facts of freedom of religious avowal of faith; it is nothing but the attempt to reinterpret content and methods of the realization of our goal, namely, expansion of social liberation of men to their total spiritual liberation."

Bejda also foresees an attack on Czechoslovakia by the Vatican leadership from a different direction. "The goal is set high. Namely, they want to make the Catholic Church into a political center of anti-socialist opposition. The plans, which combined this goal at first with an isolated little group of so-called dissidents, have obviously failed. All the more active attempts are being made to include the Catholic Church in actions aimed at weakening and destabilizing socialism."

This confirms the version which is discussed in whispers by the country's functionaries: that too much attention was given in recent years to fighting the civil rights movement, "Charta '77," and that the move by many people to religion, faith and church adherence had been neglected.

Does this mean a change in strategy vis-a-vis the Catholic Church? The upcoming talks between Prague and the Holy See will provide information; but they will also be a touchstone for how much there is of the stated "good will" to permit this church in Czechoslovakia to preserve its essential structures and content, and to allow it unhindered fulfillment of its mission.

9917
CSO: 2300/100

CSCE CULTURAL FORUM REFLECTING EUROPEAN REALITY

Budapest MAGYARORSZAG in Hungarian 1 Dec 85 p 1

[Editorial: "Measure of Six Weeks"]

[Text] Two years ago when the signers of the Helsinki closing document, the representatives of 33 European and two North American states, decided in Madrid to convene a meeting of the European cultural forum, they did not keep their goal a secret: that the Budapest conference should advance the process of European security and cooperation. And now the time has come to face the facts: have they actualized their decision of that time?

The experiences of 6 weeks offer the answer. During this time the delegates of 35 countries accomplished pioneer work, in many respects, at the Budapest Congress Center. First they held a conference during which they discussed the questions of cultural creative activity, distribution, and cooperation, in the interest of actualizing the Helsinki closing document. It was the first time that besides diplomats, creators active in the area of culture, writers, artists, stage managers, actors, musicians, the leaders of artistic and public educational institutions, men of letters, art critics, and esthetes participated in the work of such a conference. And it was the first time that a member state of the Warsaw Pact sponsored such a forum.

The forum was also a broader than any up to this time, professional exchange of experience. The participants could discuss the timely questions of fine and applied arts, architecture and historic preservation, performing arts, film, radio and television, literature, book publishing and literary translation, as well as the possibilities of furthering the mutual learning of each other's culture and cooperation relating to cultural inheritance.

Knowing all this it is our opinion that the representatives of 35 countries can look at themselves of two years ago with pride. They have actualized the content of what they had decided: the Budapest cultural forum accomplished successful work both politically and professionally. Politically because it contributed to the promotion of European dialogue. Its professional value is that it strengthened the awareness of common cultural values uniting the European peoples, and the participants, primarily the first-rate individuals of cultural life, spread numerous predictions which target the cultivation and enrichment of European and world culture.

What we have discussed so far is the fruit of the past 6 weeks, and every delegation can lay this before its government and total public opinion with satisfaction, even if the forum didn't, and couldn't solve many things. For example, it could not make itself independent of ideological and political differences of opinion among participating states with different social systems. And it couldn't overcome the lack of political purpose needed for the adoption of a substantial closing document. It could not rise above the fact that the delegates of countries belonging to different social systems and cultural regions have differing views on the functions of culture and cultural politics and its tasks; they represent differing views of creative freedom, in the area of culture the enforcement of human rights, on cultural rights and values, the role of the state, that is the individual. It brought about these contradictions, and in places increased confrontation in the forum's work. But this is nothing more than the influence of European political and ideologic realities on the forum. And who would have seriously thought that the noise of Europe wouldn't be heard in the conference rooms?

However in this noise (to continue in style), the cultural forum hit a good note. To quote the words of Bela Kopeczi, it expressed those "most humanistic ambitions, which are present today in literature, the arts and sciences, in every region of Europe, and about which so many verbal examples were given by the writers, artists and scientists speaking at the forum." That is precisely why the leader of the Hungarian delegation was totally justified in calling upon the representatives of the governments present not to allow the spirit of the conference to be falsified, not to let differences be overemphasized and the role of cooperation be underestimated.

Perhaps it is not selfish to state that our country also gained many benefits from the cultural forum. It was good to hear the many appreciative words that Hungarian hosts received for the unusual exceptions and conditions extended during the organization of the conference and for their organizational work. But our gain is far greater than this. The representatives of 35 countries gained insight into our country's weekdays, into Hungarian cultural life and--they let us know--they left Hungary with good impressions. This was fed by the Hungarian delegation's activity, which was commissioned to do everything in its power to strengthen substantial and mutually beneficial exchange of ideas and European cultural cooperation. Working hard, it earned its partners' acknowledgement.

After 6 weeks, years of work are needed, so that the forum's results may truly influence the political and cultural life of Europe. For this is the Helsinki process, on weekdays.

12932/12859
CSO: 2500/109

PZPR POLITBURO MEETS

Warsaw RZECZPOSPOLITA in Polish 21 Nov 85 p 1

[Excerpts] On 19 November, the PZPR Politburo discussed the implementation of the savings program in the years 1983-85 and the main targets in this respect up to the year 1990. The government program of economies elaborated in the wake of the resolution of the 10th Plenum of the PZPR Central Committee is an integral part of the National Socioeconomic Plan.

An analysis of the implementation of the government program of economies shows that in the years 1983-85 the lowering of unit energy and materials consumption was greater than anticipated. Consumption, however, remained high. Industries demand for energy has not been reduced. In some industries, e.g., the construction industry, it is still common for materials to be used wastefully.

It was emphasized that in the years 1986-90, two-thirds of the growth of industrial production and the national income must be achieved through a reduction of the consumption of energy and materials. To this end, it is necessary to spread the awareness of motivational systems stimulating the workers to seek economies. It is necessary to introduce changes more boldly in the structure of industry and to apply modern technical and technological solutions. Savings of materials and energy should be viewed as one of the basic sources of production growth. It is important to make better use of recyclable materials and waste byproducts.

It is essential to use all the possibilities of making economies in institutions and enterprises through economic and organizational changes, through firmly counteracting waste and lavish spending, including excessive growth of administrative personnel and especially of managerial posts in state-run organizations, cooperatives, public services and social organizations. Greater economies are needed in planning foreign trips as well as in promotion programs and business expenses. There must be greater discipline and responsibility in this respect.

This should be achieved by the joint efforts of the management, the party branches, trade union and social organizations, self-management bodies and local administration. It is especially important to counteract firmly any endeavors to doctor reports and take credit for fictitious economy moves. There must be no forbearance for incompetence, waste, mismanagement and lack of discipline.

Referring to the First Secretary's statement at the 22d Plenum of the CC, the Politburo emphasized that the habit of saving and the skills of national management are not sufficiently deeply rooted in Polish consciousness.

It is important to change this state of affairs as quickly as possible. Saving is an imperative of civilization strictly observed in all developed countries. In the Polish economy it becomes one of the decisive factors in the improvement of the standard of living of society and the individual and in the successful attainment of the targets of the next five-year plan. One should not stop short or even very radical moves conducive to savings and should keep comparing cost to effect. [as printed]

It was decided that in the future the Politburo will hold an extraordinary meeting to examine reports submitted by the Supreme Board of Inspection and the Worker-Peasant Inspection teams on the subject of economies. The same should apply to the government and the voivodship party committees and voivodship offices. These appraisals will serve as a basis for drawing appropriate conclusions, including personnel ones.

The Politburo asked the government and appropriate state institutions to carefully monitor those areas of socioeconomic life in which irregularities occur, especially the wasting of human effort, working time, materials and energy.

The Politburo approved the proposed new moves to combat negative phenomena in the economy, prepared by the CC Economic Department and the Supreme Board of Inspection.

The Politburo looked at the problems of the younger generation. It reviewed the implementation of those decisions of the 9th Plenum which emphasized the importance of education through work.

The Politburo reviewed various initiatives of youth groups. In particular, it discussed the problems of youth housing cooperatives.

The Politburo emphasized the need for greater activity by youth groups. This is an urgent task for the socialist youth unions. Youth, with characteristic uncompromising, bold approach and energy, should become a particularly vigorous participant in the front of the struggle against the evil that still can be encountered in various domains. Together, it is necessary to look for realistic possibilities for launching new undertakings, which would be right from the point of view of the interest of the public and efficient from the economic point of view, both for the employer and for youth itself.

The Politburo supported the idea of socialist youth unions taking up economic activities in order to increase their own funds needed for financing their programatic activities.

The Politburo studied the results of consultations over the draft act on increasing the participation of youth in the sociopolitical, economic and cultural life of the country. In the course of the consultations, carried out by youth organizations, some 1,250 varied opinions were collected. They will be used during the work on the draft of the act, which will be submitted to the Sejm, as required by the resolution of the 9th Plenum of the Central Committee.

The Politburo positively assessed a draft bill that would help increase the enterprise welfare and housing funds. (PAP)

/8309
CSO: 2020/49

NEW COUNCIL OF MINISTERS MEETS

Warsaw RZECZPOSPOLITA in Polish 16-17 Nov 85 p 1

[Text] The new Council of Ministers, elected recently by the Sejm, held its first meeting on 12 November.

The meeting was opened by Premier Zbigniew Messner, who announced a creative continuation of the policy of the previous government headed by General Wojciech Jaruzelski. The government will use past experience, especially with regard to solving problems connected with the living standard of the population and the development of the national economy. The methods of functioning of the central and local administration bodies will be further improved, with a view to increasing their efficiency.

The Government Presidium was formed. Next to the premier and the vice premiers, it includes minister Michal Janiszewski, head of the Office of the Council of Ministers, Minister of Finance Stanislaw Nieckarz, and Minister of Labor, Pay and Social Security Stanislaw Gebala. The responsibilities of members of the Government Presidium were defined, and Vice Premier Zbigniew Szalajda was again entrusted with the chairmanship of the Government Committee for Science and Technological Progress.

The lines of the government's work in the coming months were also discussed. These follow from the premier's Sejm speech and earlier plans, as well as conclusions from the election campaign. Shortly, the government is to submit to the Sejm draft bills regarding the pension scheme, health protection, collective agreements and state forestry enterprises.

The Council of Ministers passed an executive order on the establishment of the post of secretary of state in those offices whose terms of reference have been considerably broadened. The government was informed of the prime minister's regulation regarding the implementation of the changes in the structure and scope of some central state administration bodies, enacted by the Sejm on 12 November. The organizational works are to be completed by the end of the year.

After examining appropriate documents supplied by the chairman of the Planning Commission, the minister of finance and the president of the National Bank of Poland and opinions supplied by the All-Poland Trades Union Alliance, farmers' organizations and the Consultative Economic Council, the Council of Ministers adopted the Central Annual Plan for 1986, along with a draft of the state budget, the balance of payments, the credit plan and the draft balance for the population's income and expenditure for 1986. The annual plan corresponds to the conception of the National Socioeconomic Plan for the years 1986-1990, adopted by the Sejm.

Gross national income is to increase by 3.2-3.5 percent. Due to the limited growth of production supplies and labor, the attainment of this goal will call for an improvement in productivity. Unit consumption of materials should drop by 1.8 percent, unit consumption of energy by some 3 percent, while productivity should rise by 3.5 percent. Such a growth of the national income will make it possible for per capita consumption to increase by 1.6 percent.

The Central Annual Plan specifies the main tasks in the area of scientific and technological progress and applications, undertakings aimed at the introduction of further structural changes and moves designed to lower unit consumption of energy and materials.

The draft budget and balance of payments take into account the difficult situation in the budgeted area, despite the fact that the 1985 budget deficit will in the end be lower than anticipated. The draft budget envisages a gradual normalization of the financial situation in 1986. As has been the case in the last 6 years, the state budget for 1986 will show a deficit, the most important method of reducing the deficit will be the stimulation of production growth and improved profitability of production. The main lines of the financial policy will also include the facilitation of the flow of funds earmarked for investments between enterprises, incentives to structural changes in the economy, rewards for the growth of efficiency and the restoration of equilibrium in financial relations with other countries.

The Council of Ministers has approved a bill on the establishment of a foreign debt servicing fund. The fund in zloty should make it possible to secure the indispensable foreign exchange for repaying principal and interest on foreign credits. The main assets of the fund will be contributions from state-owned enterprises.

In 1986, credits will be available first to those enterprises whose performance guarantees a timely repayment of all the money.

The Council of Ministers also examined a plan for using the Central Culture Development Fund for 1986, which, at 63 billion zloty, will be over 6 percent higher than in 1985. The drafts will be submitted to the Sejm for approval....

The Council of Ministers adopted the drafts of legal acts specifying the goods and services sold at official and regulated prices.

It is proposed to limit the number of goods and services embraced by official prices, owing to the growth of production and their improved availability. On the other hand, railway fares, freight rates and postal services are to be added to the list.

Some light industry products will be taken off the list of goods sold at regulated prices.

The draft document has been forwarded to the Sejm.

The Council of Ministers examined a draft law on the detailed principles of the creation and use of centralized funds for the development of science and technology.

The Council also approved proposed changes in the law on private trade. The aim of the changes is to secure funds for welfare activity and assistance in the satisfaction of housing needs of employees of private firms.

/8309
CSO: 2020/49

NEW GOVERNMENT MEMBERS PRESS CONFERENCE

Warsaw RZECZPOSPOLITA in Polish 16-17 Nov 85 p 1

[Text] Directly after the new Council of Ministers' first meeting, the newly appointed government members met with the press to present short declarations concerning their future activity.

Michal Janiszewski, head of the Council of Ministers Office: "The office of which I am head has extended its activity and at present handles all personnel affairs in the state administration, from training to promotion. One of my objectives is to create conditions for the consolidation of democracy and self-management and for using the advantages thus created in a responsible way. In its new structure, the Office of the Council of Ministers supervises administration at all levels--from small offices to voivods who represent the government at local level. The purpose of the reorganization was to develop the role of administration as society's servant, to improve the quality of its work, guarantee the observance of law and firmly oppose all intensitivity in contacts between the administration and the people."

Marian Orzechowski, minister of foreign affairs: "The priorities of Poland's foreign policy have not changed for the last 40 years. Premier Messner stressed this fact in his Sejm address. These priorities derive from ideas and aims which themselves are the logical expression of our experience. Our foreign policy is founded on a consolidation of the alliance with the Soviet Union while the strengthening of the all-round Polish-Soviet relationship is our supreme objective. We will also develop and enrich our relations with the other socialist countries and at the same time will remain open to cooperation with the rest of the world. Premier Jaruzelski discussed this issue extensively in his memorable U.N. address. We believe that the consolidation of peace and security and the endeavor to make the world realize the horrors of a nuclear war and its international consequences are matters of supreme importance. All states can and should contribute to this cause and Poland is particularly predestined to do so as the country which suffered so tragically in World War II."

Andrzej Wojcik, foreign trade minister: "Let me remind you that my ministry works in specific conditions caused by Poland's economic situation. I believe a growth of exports to be the most important matter for the economy and the public, as this determines the rate of economic recovery and debt repayment. The problem, however, is not an automatic increase of exports, but export profitability, and preference for the most profitable trade exchanges. Public attitudes must change. At present they suspect the export system, as taking out of Poland goods which are needed here. No contemporary state can grow without exports and we, the Poles, must understand this."

Jerzy Jozwiak, minister of distribution and services: "I have the great difficulty choosing between problems all of which are important to consumers. Of the many important matters, the main problem to be dealt with should be how to supply more food and consumer goods to the market. A better organization of labor in the trade, transport and distribution sectors is equally important, as it will lead to the proper management of goods produced by the food and other industries, easier work for sales clerks, and better services for customers.

Miroslaw Cybulko, minister of health and welfare: "Care for the health of our citizens does not depend solely on the ministry I now head, but also on society itself, and on its health culture and hygiene. I believe that the doctor has only a 30-percent influence on the patient's condition. The rest depends on the patient's circumstances and on him or herself. Nevertheless, the health service should improve its performance as soon as possible. I already have certain ideas, but it is too early to speak about them. I shall give special attention to such problems as the shortage of medicines and the need to economize on them, the manufacturing of equipment and apparatus, and the development of the medical infrastructure. Also, we will do our best to encourage a full respect for the laws which fight against social evils, because the state of society's health depends on these as well."

Jozef Niewiadomski, minister of construction, Land Use and Municipal services: "I am aware that people will carefully watch the ministry I now head. This is a new ministry, created by combining several others. I believe that to increase the number of apartments depends, in equal measure, on the number of the newly-erected houses and the efficiency of renovations. I shall treat these two tasks as equally important. Meanwhile, my ministry will concentrate, above all, on assisting voivods in their respective initiatives and programs aimed at accelerating the pace of building new settlements."

Joanna Michalowska-Gumowska, minister of education: "The main question my ministry faces is who, and in what manner and conditions, are those who educate our youth. The reformed program, and care for not only the quality of the teachers, but also for their material circumstances will provide an answer to these questions. I need not mention the major investments which lie ahead for the Education Ministry. I think that no important educational problems can be solved without the overall cooperation of society. School attracts attention and is of deep concern to all, parents, teachers and pupils themselves. That is why I intend to do my best to carry out the program of the National School Aid Campaign."

Aleksander Kwasniewski, minister, member of the Council of Ministers in charge of the problems of the youth: "My first, unfortunately sad, observation is that I must now attend many more debates. My most urgent business is to carefully study the government program adopted a few years ago for the improvement of the living conditions of young people and their start in life. The program contains nearly 200 decisions and plans. We must discard those that are no longer relevant and those that are unrealistic, while settling energetically about the implementation of those which are both needed and feasible. Personally, I believe that it is impossible to break a deadlock without relying on the initiative of the young themselves, who are full of various initiatives. We must pick them out, give them direction and, needless to say, help them."

/8309
CSO: 2020/49

CONSTITUTIONAL, STATE TRIBUNAL MEMBERS NOMINATED

Warsaw RZECZPOSPOLITA in Polish 21 Nov 85 p 1

[Text] On 20 November, the Sejm Speaker Roman Malinowski nominated the Constitutional Tribunal members. During the ceremony he pointed out that this was the first tribunal in the history of People's Poland and that it had been established to ensure that new laws are consistent with the Constitution. "Although the need for such consistency is among the fundamentals of Poland's legal doctrine, this has not always been reflected in the state authorities' activities," the speaker said. "The creation of institutional guarantees against inconsistency between the Constitution, and the law of the land in general, and the normative acts, particularly those issued by the state administration bodies, will foster the development of socialist democracy and a more effective implementation of significant goals, such as the economic reform."

Members of the Constitutional Tribunal then took an oath.

On the same day Roman Malinowski nominated members of the Tribunal of State. The Sejm Speaker stressed the role of the Tribunal of State as one of the institutions within the system designed to ensure that people holding top state offices are personally responsible for exercising their powers in accordance with the Constitution and the basic laws. The working people in Poland want to be certain that the assets created by their joint effort will not be wasted due to someone's inefficiency or ill will. The speaker pointed out that a lot has been done in the area of meeting public expectations, developing socialist democracy and reinforcing law and order in the country, but there is no doubt that these processes have to be continued. "The 9th Sejm will consistently act toward this goal," the speaker stressed.

Deputy Sejm Speakers were present at both meetings.

/8309
CSO: 2020/49

POLITICS POLAND

COMMENTS ON WORK EVASION LAW

Warsaw POLITYKA in Polish 2 Nov 85 p 4

[Article by Stanislaw Podemski]

[Text] Last October marked the 3d anniversary of the adoption of the law on work evasion and a heated Sejm debate on this subject.

Just like any other of the several hundred laws, this one too, does not exist solely on paper, nevertheless it has only aroused the interest of those directly involved namely, work evaders, labor exchanges, the militia and misdemeanor courts. The law's dull existence has been interrupted, however, by two events. At one of his weekly press conference, the government spokesman mentioned various planned amendments to the law and at some public meetings the so-called loafers "have been rising from the dead" as the prime cause of all evil in Poland. This myth is very strongly believed within Poland and nothing--in particular balanced argument--is capable of undermining it.

It is worthwhile taking a closer look at this law which, though it has just been passed, has nevertheless been criticized by some people guided by the conviction that it is enough to add or amend a number of paragraphs on hard work to eliminate all idleness.

What has become obvious now that 3 years have elapsed since the law's adoption? It is particularly interesting to see that the actual number of work evaders has remained low. While in 1982 the head of a militia department in charge of these matters informed POLITYKA readers (issue 26/82) that "up to the end of April 1982, labor exchanges registered 134,027 male work evaders (the duty to work resulted at that time from martial law regulations), on 30 April 1985, their number totaled 140,126. So there is practically no difference between these two figures and both now and then the total number of registered work evaders totals less than 1 percent of all employees. Neither has the so-called "loafing geography" changed. The same voivodships as in 1982, namely the Lodz, Gdansk, Warsaw and Wroclaw voivodships still top the work-evasion list. The only change being Katowice which has taken the place of the Wloclawek voivodship. The results of administrative pressure on work evaders are also similar to those of 3 years ago. In 1982, 64 percent of the people who received work summons took up the jobs; in 1985, the figure was 62 percent. The remaining 30,000 people were either sick or imprisoned or it was not known if they were working or not since the employees did not supply the relevant information to labor exchanges.

What is of crucial importance for enterprises and society (not to mention the families of the people in question) is the quality of the work of those who decide they will turn up for work. A report published in the middle of the year by the Ministry of Labor, Pay and Social Security put it bluntly: "Most enterprises expressed a negative opinion about the performance of men sent to work within the framework of the law because they did not discharge their duties properly, they easily got involved in conflicts, had no respect for discipline and had a highly negative attitude towards work and their superiors, abused alcohol, worked inefficiently, created additional problems when it came to presenting accounts for protective clothing or paying back the money advanced to buy it. The opinion prevails that work evaders have a demoralizing effect on other workers and that they lower the status of the positions in which they are employed. Characteristically, the general condemnation of such attitudes does not go in hand with efforts to establish proper conditions for the occupational and social adaptation of work evaders."

Participants at various meetings keep complaining about the weaknesses of the law, demand that it be expanded, that the procedure to force people to work be simplified and at the same protest against sending these people to work in those establishments in which they are themselves employed. Everybody willingly suggests a neighboring construction site, factory or steelworks but personally refrains from such a cooperation, i.e., from putting into effect a law whose observance he is so loudly demanding.

An excellent publication of the Government Criminology Institute (Studia Kryminologiczne, Kryminalistyczne i Penitencjarne) outlined a picture of a work evader based on extensive studies of this group of the population. Usually a work evader is a male of 26-30 years of age, born to a working class family, a bachelor (70 percent), without a definite profession and without education (70 percent have only primary or even less education). Eighty-six percent of the young people who neither work nor study display various pathological symptoms and 80 percent abuse alcohol. The author of the article, E. Gulewicz, wrote: "Irrespective of whether alcohol is the prime cause of parasitism or its derivative or whether it is related to it, at a certain stage addiction makes work impossible."

Researchers' observations are consistent with official reports; a large proportion of those shirking work lacks professional qualifications while the poor condition of their health rules out their employment as construction or transport workers.

The conclusions that can be drawn from this gloomy picture are the following: For one thing, it is not amendments to the legislation that should be expected to provide the most effective instruments to combat work evasion, but primarily efforts to raise the standard of education, vocational training, health protection, and prophylaxis and rehabilitation facilities for youth. For another, it is clear that some people are responsible for the demoralization of the younger generation; now these people demand that the law should repair whatever harm has been done by parents. There have been great expectations regarding plans to employ workshirkers on the construction sites of road-building and land development projects in urban centers. Over the period between January 1983 and April 1985, 2,500 people were employed at such construction sites within 47 voivodships, which makes 50 people in a voivodship. Four times as many people have ignored this duty whereupon the cases were referred to misdemeanor courts, or the courts of law, which have passed several forced-labor sentences.

"According to the employment authorities--the ministerial report says--the effects of forced labor was relatively low in comparison with the efforts to organize it."

The report goes on to say that as a result of undermanning at employment agencies sanctions against those shirking work are limited to simple administrative proceedings while the limited and inefficient cooperation between the relevant bodies (e.g., militia and working establishments) hampers the supply of information which is so much needed. For instance, if a registration office's note containing the address of a person evading work is delayed, or, the establishment concerned fails to notify the employment agency that it has dismissed the person the agency has sent to them, the whole procedure is hopelessly delayed, and the main goal—that the person involved should work—is lost somewhere on the way.

Amendments to the law can assume various forms. They could be provisions to extend the age limit of those to whom the duty of work applies, from 45 to 50 years. Or, provisions to extend the duty of work to women with an eye to combating prostitution, which has been a hopeless thing for ages now.

The official procedure for dealing with those evading work is not simple, either, as it abounds in guarantees designed to avoid mistakes, which makes the work of those responsible for executing the law more difficult. Well, then perhaps the official procedure should be simplified in order to facilitate the administration's work?

It is not as simple as that if you consider the situation more carefully.

If the age limit is extended, great numbers of demoralized people, destroyed by drug addiction or alcoholism, will join the ranks of workers. Also, each step aimed at the registration of and control over prostitutes is in conflict with the international convention signed by Poland 35 years ago which bans "special registration, and the setting of special standards regarding supervision and reporting procedures." Each deviation from the present legislation involves the violation of some other of the many international conventions ratified by our country. The editors of the law have done everything that was possible to this end (or even more) within the framework of international law containing various restrictions and prohibitions regarding forced labor. There is a certain price that has to be paid for membership of the international community and those who evade paying it have to be prepared for various, often grave consequences.

The guarantees provided for by the law against the possibility of error (e.g., the ability to lodge an appeal against being put on the work-shirkers register) cannot be limited. This is proved by the cases where the law has been applied erroneously; the Supreme Administrative Court had to defend members of the Jehovah's Witness sect who were nearly put on the register. There have also been cases of instituting unlawful proceedings against free-lance journalists or private farm owners. A state governed by the law must provide for adequate appeal procedures even though these may be troublesome for the administration, or abused. This is the price to be paid for lawful government.

After 3 years, the law's shortcomings are plainly visible but these are to be found in the sphere of practice rather than in the legislation: Legislators cannot succumb to demands based on disinformation, ignorance or demagogy. POLITYKA was hardly enthusiastic about the law on work evasion but, as the law is already a fact, it should be allowed to grow in strength.

/8309
CSO: 2020/49

AVERAGE POLISH FAMILY IN FOCUS

Warsaw ODRODZENIE in Polish 3 Nov 85 p 9

[Article by Anna Przeclawska]

[Excerpts] [...] Polish families differ widely as far as their structure, living standards, and systems of beliefs are concerned. A family's ultimate capability as a protective and educating body is determined by all these factors together. It is necessary to consider all these elements when forming a picture of the average family because the family is more dependent than other social institutions on a close combination of material and nonmaterial factors. This truth often seems to be ignored, in social-policy making. Material conditions affect the way a family meets the psychological demands made upon it, and vice versa; if a family is generally confident, it is likely to cope successfully with everyday material hardships. A large proportion of young Polish people marry early (in 1984 some 3 million Polish married couples were under 35 years of age, said the Government's Council for Family Affairs at its 21 May 1985 session), and they often have close ties with their parents (living together in one apartment, children being taken care of by grandparents, financial ties, as well as emotional reasons or family traditions), making them largely three-generation families. This circumstance is not always of their own choosing or the model of family they pursue. Sometimes unsurmountable difficulties, such as no independent apartment or financial insufficiency, are the cause. Social policies should provide more opportunity for families to choose the model of family life they prefer--whether to live in a two- or three-generation family.

[...] Whatever the model a family prefers, intergenerational ties are a deeply-rooted tradition in Polish culture and should be preserved and taken advantage of in public life and in education.

Divorce is among those factors which wreak heavy damage in natural family relations. Although Poland does not rank highly amongst nations with the highest divorce rates, the latter have been rising for the last 2 years. The number of divorces has been growing in all communities, but particularly strongly in the countryside. They harm not only those personally concerned but also the children, creating educational difficulties.

Due to the growing life expectancy, single old people are more and more often becoming a problem. The system meant to protect this population group is clearly inadequate.

Health

The general health condition of Polish families is bad. Although infant mortality is now less than it was 20 years ago both in towns and the countryside, it has recently been growing again, so that it is twice the level recorded in advanced Western European countries.

Abortion is a matter which should be considered not only from the vantage point of its effect on women's health but also as a social and moral issue. The total number of abortions performed in Poland is some 350,000 a year. Abortion is increasingly often recognized as a social malady, regardless of world attitudes. The Health and Welfare Ministry have issued guidance about the wealth of information available to women who demand abortions, advising them of the possible consequences this may have for their own health or for the babies they may want in the future, and including the psychological consequences. However, this guidance is rarely observed in medical practice.

Part of the reason for this is a lack of sufficient knowledge of sexual practices, and an ignorance of various prophylactic methods including natural ones, but also little knowledge of the nation's demographic situation, and developments, and the actual economic and social effects. The often-repeated contention that the high birth rate is one of the major causes of the current crisis is a gross simplification, to put it mildly.

Analyses of Polish society's health condition disclose excessive incidence rates of diseases and deaths of children and adolescents at the age of puberty (in 1983, Poland was among those countries in Europe which recorded the highest rates in this respect, according to figures in the official statistical yearbook for 1984). Another alarming development is the soaring mortality rate of young males. Environmental factors, as well as harmful practices such as alcoholism or drug addiction, are the chief causes of these deaths (mostly due to coronary failures or cancer). Another widespread problem is the damage to health caused by poor working conditions. These give rise to a large number of invalids. Tuberculosis is once again becoming a problem for Poland's health service.

Material Status

The material status of families affects both their living standards and the manner in which they bring up their children. While no clear link has been proven between material status and successful educative efforts or harmony in family life, the quality of a family's life is certainly determined by its material status. The tougher the crisis becomes, the more important it is to prevent families' living standards from falling below a certain level (I deliberately refrain from using the term "minimum income" because it has no official definition yet), and to seek ways of enabling families to perform their social and educative functions in a manner independent of their material conditions.

Differences in material status are natural when they arise from the amount and quality of work, frugality, industry and the planning ability of a family's providers, usually the parents. However, these differences are unacceptable when they result exclusively from greater burdens, when there is no proportionate relations between work and pay, for this alone will force parents to lower their hopes and curtail their children's chances in the future.

Although average pay keeps rising (in 1984, it was roughly Zl 16,900), differences according to trade are still very wide. Wages of blue-collar workers have been growing rapidly, while pay for people with college-level education has been picking up only slowly. These differences are of several orders of magnitude leading, not only to an impoverishment of intelligentsia families, but also to the violation of an important principle of social justice (equal pay for equal work).

Social status and material status are divided by an ever-widening gap.

This has tended to suppress aspirations, particularly with respect to the area of education, where it destroys traditional cultural patterns and affects the young generation's system of preferred goals.

Families with many children, single mothers, and old people not supported by younger relatives are in a particularly precarious situation.

Families' material status is further affected by the inadequate services system, which has, moreover, been becoming increasingly expensive for consumers. Many families have no choice but to cease paying for services, doing as much as they can at home. The everyday difficulties involved in buying all necessities and the shortage of consumer durables, affect the spare time and rest periods available to families.

They also face growing difficulties when trying to take advantage of holiday periods. Prices of such services, as well as the fees for children's camps, have been soaring far beyond the average family's budget, for instance, in 1984 the total number of children going to summer camps was only a little over that of 1980. Families refrain from taking advantage of organized forms of holiday rest, and often find no substitute for this.

The material "pinch" on families does not generate critical attitudes toward material values. On the contrary—it only encourages consumerist attitudes. This makes the preferred "model" of material status not just an economic but also an educational and social issue.

Adults and Children

One of the main things a family needs is an apartment of its own. A family cannot perform some of its functions unless it has an apartment for itself. The desperate housing shortage hurts especially young families, while the statistical shortage of apartments keeps growing. In 1982 it was estimated at some 1.7 million, and in 1984 more than one-half of all families had no apartment of their own. This problem has many ramifications, all of which combine to make the general public believe they have few prospects for the future.

Apart from this shortage, there is another, more recent problem--that of expensive apartments, which most families cannot afford. This is particularly true of owner-occupied apartments sold by housing cooperatives, which offer the only chance for most families to get hold of their own apartments.

Another important function of the family is to bring up children. This is a job continuing for many years, and changing in character and specific needs as the children grow up. Relations between parents and children keep changing, with the latter taking more and more responsibility in family life and for their own needs. This imposes new requirements on parents bringing up the children.

Children learn how to live by taking part in adults' lives. The latter set examples and patterns to follow for the former.

The models emulated by children also differ from family to family depending on the particular community, the parents' educational level, material status, trade, and family tradition. It is necessary to acknowledge this plurality of models. It should also be realized that values respected by parents are not always accepted without question by their children nor proved viable in actual life.

These circumstances face parents with the extremely difficult educational task of inculcating on their children's minds the patterns they regard as proper and of preparing the children to make their own decisions, about ideology and morality, arrived at independently.

Another danger created by the hardships of everyday life in Poland at this time is that value systems crumble and family members, parents and children alike, regard their homes as "their castle" and ignore the relationship between the values of public and family life. The crisis only reinforces this attitude for it perpetuates the general apathy, resignation and disenchantment.

Family and School

[...] Many parents believe there is a difference between the goals and aspirations of the family on the one hand and those pursued by educational institutions, above all the school, on the other.

One major cause of difficulties in family-school cooperation is the parents' failure to understand the essential meaning of a secular school with its concomitant lack of respect for views advanced at home compared to those at school.

Secular education does not mean a promotion of atheistic views. The school curricula, textbooks and organization are based on a clear distinction between fact and philosophy. Parents, for their part, should remember that their world outlook is not the only acceptable one, and that schools, as state-sponsored educational facilities, are not religious instruction centers. Schools bring together people of varying opinions, but the adoption of definite philosophical assumptions is one thing and knowledge based on scientific findings is another.

This is true in theory, but even more so in educational practice. Definite rules must be adopted and implemented which may make it possible for the secular state-sponsored school and for the many parents who are committed to a religious upbringing for their children to find a common language based on values shared by both sides. These values include primarily moral standards, which are recognized as significant regardless of one's world outlook.

But these differences are not the only cause of the bad relations which exist between parents and schools. Conflicts also arise over children's failures at school and because of other educational problems. Parents say training is the school's main job and complain about the latter failing to do this. Schools, for their part, often blame parents for their children's poor performance at school accusing them of educational mistakes and also giving parents the responsibility to make children keep up with the general progress expected by the school.

This particular situation has many objective and psychological causes, and both sides are undoubtedly to blame. However, what remains is a vicious circle of mutual recriminations which nurtures mutual distrust and leads to a formal approach to mutual relations and the resulting duties.

[...] It is in fact very difficult to provide an accurate picture of the modern Polish family. Many other matters should be examined, including the effect of social maladies on the Polish family, the position of women who bear the bulk of responsibility for organizing family life, the situation of disabled people and of families with disabled children. [...]

If the state can create conditions for families to improve their status by their own initiative and energies, then families will perhaps develop a more positive attitude toward their share of responsibility for the state's future. This is particularly urgent in the present crisis, because one of its signs is a sense of helplessness on the part of individuals confronted with the situation.

/8309
CSO: 2020/49

POLITICS POLAND

'NATIONAL CHARACTER' DISCUSSION CONTINUES

Warsaw POLITYKA in Polish 9 Nov 85 p 6

[Article by Edmund Lewandowski]

[Text] My article in POLITYKA No 39 on the national character of Poles called forth many reactions and different opinions. I received many letters and telephone calls, as well as invitations to speak at schools, clubs and various organizations. Roughly one in two reactions was positive, some of them even enthusiastic about what I said, and one in three clearly negative. The rest were neither, as their authors seemed just to seize this opportunity to present their own views on this question.

The most serious charges came from Professor Ryszard Dyoniziak of Cracow and Mr Jerzy Kaminski of Warsaw. They believe that nothing like a national character exists.

The former of these two adversaries of mine is a sociology professor. His main point is that all of it makes sense only if you talk of stereotypes, that is, of certain crude ideas about a nation which live on without any scientific justification. Moreover, says Professor Dyoniziak, it is wrong for an analyst to quote observations about Poles made by various people (novelists, poets, politicians, psychiatrists) from different epochs and to interpret them subsequently as being relevant in the present situation.

Admittedly, national character is clearly among the most controversial questions in social science. It was first raised as an issue on the 18th century (by Hume, Montesquieu, Kant and Herder), when description and empirical observation was the standard foundation of scholarly discourse. However, the epoch of Romanticism brought with it a mystical and ideological orientation which affected subsequent analyses. The problem itself seemed however significant enough even to sociologists of the Positivist epoch, who took it up, as did later successive generations of students of culture, society and human history. Tadeusz Lepkowski pointed out that "Those who ventured into this question were accused of the sin of intuitionism and psychologism, of subjectivism and ambiguity, sometimes even of ahistoricism.... Whatever position one takes, one has probably to concede that the question of national character is not imaginary but has a real historical foundation. It is not quite an important question, in fact."

Those who contend adamantly that there is no room in scientific analysis for the study of national character seem to be wrong. The truth is that in one discipline you will find outstanding scholars who are among both the followers and adversaries of this question. [...] The bibliography of world publications includes more than one thousand titles.

In my view, if a nation has an authentic culture of its own which constitutes a specific whole, then its constituent elements must differ significantly from elements constituting other such wholes (that is, nations). It would be very odd indeed if this were not so. A nation presents a unity in diversity. I admit that national character hardly yields to accurate definitions, but are such ideas as culture, personality, nation, feudalism or capitalism easier to define? Only the ignorant will say they are.

By national character I mean a dominant type of personality, that is to say, a kind of model to whom the individual person only approximates. Some people act almost entirely in line with that ideal model, while others may betray almost none of the model-constituting specific elements. Some native Poles may even behave like typical Frenchmen, Germans, or Russians, but that will not change the fact that, in this concept, typical Poles predominate in Polish society, as do typical Germans in German society, etc.

National character is a psychosocial outcome of a nation's historical vicissitudes and cultural changes. It is something relatively stable which yields to change only when exposed to the action of some new social entity over a long period of time (say, of a new economic and political order). Since it is a psychosocial rather than biological or ethnic phenomenon, someone of German, Jewish or other descent living in Polish society may have the qualities of a tyical Pole. The specific conditions under which any given individual undergoes processes of socialization and enculturation, apart from the stability of any specific cultural model, are eventually the decisive factors. Maybe for this reason it would be more pertinent to follow Erich Fromm and to use the term "social character" instead of "national character."

Even when we finally accept the existence of national character, there is still the problem of how to study it?

The well-known Soviet sociologist Igor S. Kon says, "To comprehend the character of a nation, you have above all to study its history, social relations, and culture, individual psychological methods are insufficient for this purpose." I would agree and try to follow this methodological rule myself. As for outstanding and well-known novelists, poets, scholars and politicians from different epochs, I regard their remarks as those made by "judges" who were eminently sensitive and experienced "participant observers." I also believe that the arts contain much implicit information, a truth largely ignored by sociologists. Art, as Hegel shrewdly noticed, "enlivens and enlightens the arid darkness of ideas." Anyway, not everything can be squeezed into the rigid categories of science.

Some readers disliked my references to views expressed by psychologists and psychiatrists. One reader from Nowy Sacz voivodship in his lengthy letter says, "I would strongly discourage you from relying on judgments made by neurologists, psychologists and psychiatrists for one very significant reason--these fellows simply have no reliable knowledge of anything, and psychology itself is no self-contained discipline (that is, no science at all) but only a practical skill which, unless it refers itself to philosophy, boils down to a description of phenomena (what is called idiographic description) and to irresponsible claptrap or even simple nonsense. You, the author of the article, yourself supply very obvious evidence of this." Needless to say, this opinion is without foundation and unfair toward scientists studying psychological phenomena, who have more to say on the question of personality types than others. At this point let me say that I again disagree with Dyoniziak who says Antoni Kepinski's types are true only for the sick and not for all Polish society. It is enough only to read the chapter on alcoholism in Kepinski's book "Rhythm of Life" to see that Kepinski clearly means Polish society "at large." He underlines that while there is no definitive answer to the question about whether or not national character is something real, it can be theoretically assumed to exist. Nor can it be ruled out that as well as some acquired qualities, there may be some inborn, that is, gene-transmitted qualities too. Some readers may be surprised if I point out to them that Fr. Jozef Tischner believes that Kepinski's works contain "the first ever Polish-perceived, Polish-written, philosophy of man, which stems from Polish goodheartedness but which is, nonetheless, universally valid." Such remarks about our nation should therefore not be disparaged.

[...] What interested me most in readers' reactions was whether or not most readers agree with the picture of a typical Pole as drawn in my article. A majority shared my view.

One woman from Warsaw wrote, "We are constantly tied to false and imaginary ideas. How can we cure ourselves? Since my return to Poland a year ago I have been watching the dying remnants of progress, morals, ethical standards, mutual trust, personal hygiene, involvement, good manners and goodwill, and my optimism has been steadily dwindling. I am sorry for all those in Poland who honestly desire change, and even a national revival, but who are unable to stand up proudly in the face of the terror of mindless and fierce masses. Clearly, in the latter 20th century we have arrived at the position of a perfect specimen of a European slave, one who is disciplined and works hard but only in the yoke put on him by a foreign suzerain. I watched all this happening during my forty years' stay in the West. Two years ago I proposed in POLITYKA that Poles should read [Witold] Gombrowicz as an antidote against our 'pest' and foolishness. Now I see that first we must improve ourselves morally before we can digest Gombrowicz's ideas. The 'pest' here would probably use even him for its abject and obscurantist purposes. Everything should now be changed, starting by submitting it to psychoanalysis, the way you tried to do in your article. Your article will, hopefully, inspire some of the younger minds to venture into a soul-searching of the nation--in a European fashion, not in an Iranian one, as it has been. This is what I wish for all of us."

A woman teacher from a secondary school wrote that my essay had helped her order her own thoughts about the national character of Poles. The quotations from famous Poles in my article are "absolutely true" in her opinion. Although some people around her believed my article was designed as a contribution to election campaign propaganda and was ordered by the top-echelons, and that the quotations were picked tendentiously, she said that, even if that were true, "the article states the truth and describes correctly our virtues and faults." More people reacted in this way.

One reader from Poznan admits that what he describes as my "masochistic" article contains "surprisingly shrewd observations," and there was just one of my arguments that he could not accept, namely that the spirit of the sejmik still dominates our attitudes. He says, "People are doing everything not to have to attend conferences. The spirit now dominating Poland is that of apathy. In fact, Polish society became frozen in a clumsy and pitiful pose in its mad dance." However, I think that the retirement of many people into privacy as seen at present, does not mean that Poles have shed their deeply-rooted love of debates, making demands and passing resolutions. The spirit of the sejmik manifests itself on private social occasions, when people sitting around sumptuous tables engage in long disputes over the ways toward improving their country.

Some readers and callers were disappointed with my final conclusions. One woman from Katowice accepts my diagnose but rejects the cure I propose. "You want authentic self-government to curb the claims of central authority and similar nonsense. I suspect you liked the kind of order which existed in Poland throughout 1981 when almost every Pole did what he pleased and when on every street corner you could read posters calling for a 'self-governing Poland.' But we were then only one step away from self-annihilation. I don't understand you all, those educated people, who produce your little theories like rabbits from a hat." Another reader charged me with the sin of anarchosyndicalism. However, a reader from Zakopane pledged himself to be fully behind the idea of self-government. He says it was a grave mistake to liquidate [in 1975] the "counties" (poviats) and to create 49 voivodships, for that move failed to establish any closer links between citizens and offices, and thwarted further progress in local self-government.

One interesting letter came from Gdansk. A man described his personal experience which taught him that national faults can be found in all groups of Polish society, including those who hold power. Political leaders in socialist Poland included "freaks, adventurers with wild visions, docile yesmen, self-complacement men called, God knows why, statesmen. You don't need any special political experience to know that if a bad bunch is taken over by somebody who knows how to win them over, then those miserable people may soon turn into nice individuals. It is not the people who should be blamed for what we see around us, but its representatives." I do not think the whole thing is as simple as that, although I do agree the authorities bear most of the blame. I subscribe to Leo Tolstoy's philosophy in War and Peace where he says that the authorities are morally responsible for what happens but that in the physical sense those who carry out the authorities' orders are to blame. A nation's history, then, is decided by both these factors together and not by either of them separately.

Much the same can be said about the role of social systems and political models in the historical process. In an editorial published in their BIULETYN INFORMACYJNY of 3 June 1942, the leaders of the clandestine Home Army wrote

> "a country's strength depends not only on its system but mainly on the national character."

(Personally, I would have substituted "also" for "mainly" in this sentence.) They went on to say that, despite the continuing war and occupation, Poland would regain its full strength and viability "when discipline and cooperation can be strengthened in the national character of Poles."

Some readers (among them one from Wroclaw who wrote two letters amounting to no less than 79 pages) complained that I did not give enough emphasis to the negative role of Catholicism and clericalism and that I ought to have developed the question of the Counter Reformation's enormous effect on the national character of Poles today.

Let me only quote Melchior Wankowicz who wrote that "Catholicism in Poland assumed the shape of folklore, it became shallow, and the domain of reactionaries," and all that because the Counter Reformation had scored too easy a victory and Catholicism was never really forced to gather all its spiritual strength to survive.

In conclusion I wish to reply to all those who blame socialism for all evil in Poland. Let me quote a scholar whom I esteem as an outstanding sociologist. Fifteen years ago, Jan Szczepanski wrote: "I am not considering now the argument about the role of government or of the system, in shaping the face of the people and the state, I am dealing solely with citizens' own qualities. I find myself forced to the conclusion that socialism in Bulgaria, Romania or East Germany does not prevent the building of efficient catering industries or well-finished housing estates, while a comparison of the appearance of the countryside in Bulgaria with that you may see in Poland should give us a lot to think about. Everything depends on citizens' own qualities--their diligence, their dedication to honest work, their pride in the kind of work and in their trade." Exactly. The professor goes on to say, "We are an intelligent people, capable of brilliant discourse and action, and we gave evidence of the utmost patriotic dedication both during the war and during postwar reconstruction. Are we going to fall short in the present race of 'good work' which is so extolled by our philosophers?"

In my view, we should stop wailing, dwelling on our injuries, and walking in the clouds, and take a firm grip to supply the answer to the difficult challenge of the world today. We should also stop finding faults with others and begin to look at our own shortcomings.

/8309
CSO: 2020/49

NATIONAL STEREOTYPES THEORY RIDICULED

Warsaw POLITYKA in Polish 9 Nov 85 p 6

[Article by Ryszard Dyoniziak]

[Text] In his article called "Angelic of Heart, Boisterous of Mind" (PNB 192-85, Oct. 8, 1985, p. 1), Edmund Lewandowski tried to describe "the Polish national character," by which he means "the dominant type of personality in any nationality."

I am sorry to say that Lewandowski's reflections are simple nonsense disguised as impartial description. It is all nonsense because the method he uses is unacceptable. First, no one has ever carried out any reliable psychological studies to show which particular type of personality is "dominant" among Poles. The very idea of a "dominant type of personality" sounds suspicious anyway. Can anyone distinguish a single "dominant type of personality" in men and women two centuries ago and now, in 10-year-olds and in aged people, in educated people and semi-illiterate individuals, in healthy and ill people?

Surely this is all nonsense, especially since ordinary experience tells us that the same individuals may betray different personality features depending on the situation in which they find themselves. Were those who fought in the Battle of Britain and those who fought in the Battle of Lenino the same people whom such different writers as Norwid, Wyspianski, Brzezicki, Kepinski, Mochnacki and Witkiewicz had in mind? This confusion of opinions expressed by writers who were not intent on providing scholarly descriptions of any "dominant type of personality" but who were merely commenting upon people entirely different in culture and social status from those of today, is unacceptable as a truly scientific description. Naturally, a writer, a psychiatrist, a politician, or a half-baked junior research assistant can express their personal views of one nation or another, but when somebody treats such enunciations as truths, and this is what Lewandowski does, a different situation occurs. I think his dissertation for his doctor's degree did not really deal with "national character" and his POLITYKA article is not a synopsis of his dissertation, for otherwise one should seriously wonder if perhaps the author himself represents that "dominant type of personality" he so humorously described in POLITYKA.

Let us look at the collections of quotations Lewandowski uses to show that that "dominant type of personality" rests on "opposite characters: a szlachta-style swagger coexists with peasant-style diligence." (Can a human personality ever be reduced to a single feature? Can "peasants" be attributed "diligence?")

Lewandowski quotes the neurologist Brzezicki and the psychiatrist Kepinski. The former introduced the notion of "skirtothymics," the latter says hysterics and psychasthenics supposedly predominate among Poles. But Brzezicki himself attributed the quality of skirtothymism not only to Poles but also to the Byelorussians, the Ukrainians, the French and the Italians, so it can hardly be regarded as the "dominant type of personality" among Poles. Kepinski's remark about the predominance of hysterics and psychasthenics amongst us concerns ill people who sought his help when he was a practicing psychiatrist. Judging an entire people by those who are ill is a joke. Suppose a doctor writes a book, based on his files of patients whom he treats for lung diseases and claiming that lung diseases predominate among Poles. What would you think about such a doctor's brains? Moreover, the hysteric type of personality "dominated" already in ancient Greece and Rome, for even by then all major symptoms of that disease were described. Nor can one use Freud's patients as evidence of a claim that all (or at least a dominant group) of people in any given nationality are sexual maniacs, for in such a case Poles' persistent attempts to regain national independence in the 19th century would also have to be reduced to physiology. Fortunately, Lewandowski does not quote Freud.

Needless to say, what Morwid or Witkacy, Mochnacki or Prus said about the Polish people remains important as one element of national self-awareness in the sense that it is perhaps meaningful to think whether or not we (we as teachers, as economists, as politicians, but not we as a "dominant type of personality" which does not exist in any way among Poles) act properly under definite historical or social circumstances. Those opinions, from the vantage point of scientific description, are only stereotypes, that is, over-simplified ideas concerning any given nationality. Had Lewandowski written that the opinions he quotes were only stereotypes, his argument would have been perfect. Unfortunately, he implies that these opinions are true and that something like a "dominant type of personality" does exist. There is no evidence for this, whether among Poles but also, for example, among Russians (are Dostoievski's characters the "dominant type of personality" of Russians during Tsarist times?--that too would be nonsense), Germans, or Frenchmen, Americans, or Israelis.

In addition, Lewandowski made an assumption which cannot possibly be proved on the ground of scientific analysis, namely that "national character" and the "dominant type of personality" are one and the same thing. They are not. If any specific "type of personality" is found to "dominate" in a community of Indians in the United States, does that mean they are a separate nationality?

Professor Dyoniziak is head of the Cracow Economics Academy's Sociological Department.

/8309
CSO: 2020/49

SELF-MANAGEMENT MAY BE 'SABOTAGED' BY UNDERGROUND

Warsaw POLITYKA in Polish 16 Nov 85 p 1

[Article by Zygmunt Szeliga]

[Text] In their interesting article "Self-Management in Tug of War" [PNB Economic Review No 94-95, Nov. 22, 1985, p 2], Jerzy Hausner and Jerzy Indraszkiewicz presented a true picture of the still difficult situation of worker self-management bodies. They are still coping with numerous difficulties both objective and subjective in nature, including not only obstacles raised by the economic administration, and problems arising from the continuing instability of the reform, but also difficulties due to their own deficiencies. In fact, worker self-management is in an even more precarious situation than that. It can be said to have come under fire from two sides. One was presented by Hausner and Indraszkiewicz. The other is the pressure that the political underground is trying to put on self-management bodies.

The idea of self-government, in various forms, has a long tradition in Poland. In our epoch, the idea of worker self-management was born during the "Polish October" 30 years ago, and although it failed to materialize until the 1980s the idea itself took deep roots in the people's awareness. It came up in August 1980 during first discussions about the changes needed in the way Poland's socioeconomic life was governed. It was acknowledged in the party's first declarations concerning the situation in Poland, and it was given firm support in legislation concerning the economic reform devised by special working groups appointed by the party and the government, groups later joined by Solidarity representatives.

Sound Criticism

It was then defined--amidst occasional sharp polemics and fierce political bickering--what worker self-management should, can, and may be, and what it is not nor ever may become. All that found expression in the relevant legislation which endowed self-management bodies with the powers of supreme authority at enterprise level, an authority with much influence in all principal affairs of the individual enterprise and with only a few restrictions following from the socialist system of a centrally-planned economy. In the present legislative system, then, worker self-management is the supreme authority at the enterprise, the master of the latter, taking care of the enterprise's prosperity, profits, efficient management, funds for future development and for the work force's pay and benefits schemes.

However, it was also stated clearly and unequivocally that worker self-management bodies are not, must not, and will not be bodies of political authority, that they must not take over the functions or prerogatives of constitutional state agencies, and that they will not act as "judges" passing verdicts on the state's general policies. In any country which expects to be well organized and efficient and which is to remain under the rule of law, each individual component of the body politic should perform the role assigned to it without trying to relieve or substitute others. This is an elementary precondition for the state--as the highest expression of public organization--to function properly and normally.

All that, I repeat, was stated clearly and unequivocally, established and articulated in the binding law. It was done in the course of tough political struggle, a struggle for power. That struggle, as will be recalled, was waged on many fronts. As well as declarations about an intended takeover, attempts were made to create power bodies over, or parallel to, official ones, with the hopes that these would lead to a disintegration and disappearance of constitutional bodies.

It was also in the train of those actions that the opposition tried to take control of worker self-management bodies. They sought to create a legislative and actual situation in which those bodies would either control existing official bodies or shadow them, a situation which would enable those holding self-management bodies in their grip gradually to curb or "isolate" the state's constitutional bodies, to develop a kind of "dual" power structure, and, eventually, to bring about yet another sharp clash. No state in which there are two parallel decision-making centers pursuing opposite goals can even function normally.

However, all those disputes were cut short when it came to discussing the form and creation of self-management bodies. Self-management was instituted in the only possible form in a socialist state (or, for that matter, in any state) and still exists in that shape now. The opposition, however, did not accept the adopted solutions, refusing to concede defeat. The only chance left for it was to pursue its goal step by step, creating small bridgeheads at various places, winning over one self-management body after another, manipulating them and leading them in a desired--not always the same--direction. One recent attempt to "take control" of such a body was made at the large Bydgoszcz enterprise Zachem.

Before I proceed to the Zachem story, let me point out some difficulties and constraints of self-management in its present legislative shape. The difficulties are various and multiple. Some arise from the present economic situation which is still far from normal, and which is bound to create various restrictions for self-management (this is true, incidentally, not only for these but for other forms of civic and occupational activity). Other difficulties result from the activity of the economic administration and bureaucracy. Shorn of a major part of its previous responsibilities and prerogatives--to the advantage of just such worker self-management bodies--the administration is resisting the drive to move it from its previous position, by trying to curb worker self-management bodies in their actions, and by checking and hampering the process of these bodies' emancipation into the highest authority of the enterprise.

A third group of difficulties, finally, results from these bodies' own imperfect shape. A self-management body is the civil authority in the individual enterprise. It imposes on its members considerable duties promising nothing in return, apart from a sense of gratification at the thought of taking part in managing the company's fundamental affairs. But most employees are so engrossed in their own affairs and hardships, busy as they are trying to earn their living, that they have little time or desire to perform public functions, however gratifying that may be for some of them. Moreover, the matters which need to be resolved often prove to be involved and difficult to handle, and require members to wade through economic regulations, documents, papers, etc. Not everyone is able to do that, and not everyone has the patience.

This particular front of the battle for self-management is obvious, and it used to be a calculated built-in risk in the work on designing self-management and on putting it into practice. Indeed, right from the beginning it was evident that self-management had a steep and bumpy road ahead of it before it could become what it should be. What is ultimately important now is that, generally, self-management is treading precisely this road; how far it has managed to go depends largely on its own ability, on the individual people sitting on its subordinate bodies.

It is no secret that many self-management bodies were unable to organize themselves for a long time, and even now not every enterprise has one. Nor is it a secret that many people whose qualities enable and require them to work usefully in self-management bodies, stay away from them, some feeling put off by the general situation which is still not free of tensions and stresses, some doing so for personal reasons. At the same time, the genuine democratic election procedure to self-management bodies has allowed people with ties to the opposition, occasionally extremists from the former Solidarity union, to get themselves elected into many such bodies.

I am not implying that all of them retain their old views or that they have understood or learnt nothing. Most former Solidarity activists now engaged in self-management activities undoubtedly do understand and respect the idea and rules of self-management as they are determined by the law, but there are also others, and it is on them that the opposition stakes its chances. The opposition also pins its hopes on the "silent majority" who often fail to comprehend nuances or even simple matters, or who are more interested in a television broadcast of a major soccer event than in devoting one or several extra hours to a consideration, discussion and clarification of some specific matter.

The Other Front

This is how the other front has been created. The first front of battle is that for self-management bodies to become what they can and should become. On the other front, the battle being presently waged is for self-management bodies not to become what they cannot and should not become.

Let us now return to Bydgoszcz. The affair happened several weeks ago in the large chemical factory Organika-Zachem which has on its payroll 5,400 people who aren't too badly off (average pay for the first half year was Zl 19,827, or Zl 2,000 more than last year). Zachem has been coping with numerous difficulties and it needs to integrate its entire work force, the self-management body, the management, and the political and other organizations present in the factory.

I cannot tell how well the 68-person Employee Council of Zachem is working. There are signs that it is doing quite well. On 11 September, for instance, it discussed various important matters in a business-like manner from 9:30 a.m. to 3:30 p.m. A hard-working and serious body, one would say, but this first impression may be tempered when one learns that by 3:30 only 39 members of the council were still in the hall, 29 being absent. Those who remained glanced nervously at their watches as television was soon to start its live broadcast of a soccer match between Poland and Belgium....

A Showdown During the Match

Then the council chairman proposed the adjournment of the debate--precisely because of the match. He thanked management representatives and other invited guests for attending the meeting, and requested council members alone to stay to discuss two minor internal matters.

One of those "minor internal matters" was a letter to Premier Wojciech Jaruzelski starting in the following way: "In response to Mr. Prime Minister's appeal for a discussion of the most significant problems facing Poland and Poles--in connection with the projected speech at the UN forum--this Employee Council has resolved to present the chief problems facing our plant."

The letter was read out hastily (most participants in the meeting were unable to say exactly what it was about by the following day), the chairman ordered a vote; 21 people raised their hands "for" it, three "against," and 13 people abstained. All were at home on time to watch the transmission....

In this manner, 21 people, or less than one-third of the council, approved in the name of the council--and, in a sense, also on behalf of the 5,400 strong work force--a letter which contains not even a single mention of the word Zachem, a letter which can be said to be universal, a letter obviously written not by anyone from Zachem's Employee Council but by a seasoned and experienced opposition writer, a political pamphleteer. The letter could be "pushed through" the council using precisely the kind of trick that was used in this case, namely by a hurried reading five minutes before the end, in an atmosphere of haste and nervousness before an important event, a sporting event in this case.

The letter contains many opposition ideas. You may find in it "a society deprived a sovereignty," "the lack of an authentic trade union representation," "a reform drowned in a flood of legislative and nonlegislative regulations." There are also "political prisoners as one element of Poland's sociopolitical landscape" in it.

Its concluding suggestions and proposals include calls for "a public rehabilitation of the victims of martial law along with a definition of moral responsibility," "a release of political prisoners," "the restoration of the union pluralism principle" (this last euphemism, of course, is the opposition's sobriquet for its demand to reactivate Solidarity), and for "furnishing possibilities for the creation of a chamber for self-management at the Selm."

One might say there is hardly anything new in all that. It is now an all too familiar part of the opposition's activities. It all fits in perfectly with the general blueprint for a struggle for power by way of divorcing self-management bodies from what they can and should be in order to build them up into centers of political decision-making next to the legal authorities. The next step would be to strengthen and expand such bridgeheads, the gradual coordination of their activities, and the foundation of an entire national structure. It was hardly a coincidence that the Zachem action came simultaneously with the idea of "a horizontal structure of self-management bodies" being launched in the Torun-based Elana factory.

This all amounts to an attempt to arouse sleeping specters. At Zachem, the attempted alarm proved abortive. It did not fail because of any administrative moves which would be at variance with self-management's legitimate prerogatives. A political struggle was waged for a week at Zachem. Although the Employee Council chairman did not give anyone the letter to read, the news about it leaked to the work force. Formal and informal employee groups held several meetings. Each day party and other activists had talks with Employee Council members, as well as with the work force which, as a whole, is a self-managing group and which is entitled and obliged to demand that the people it elected to self-management bodies should stand for its own true beliefs and opinions.

That work bore fruit. During the next session of the Employee Council the motion was proposed to put the letter on the agenda again. On that occasion, 48 people attended the session. The council leaders were unwilling to take up that matter again--Roma locuta, causa finita--but in a secret ballot the motion was passed by 25 votes to 23.

The letter was read out, this time aloud and in a clear voice. A stormy discussion ensued lasting for the next 5 hours. Participants were at each other's throats, talking about truths and lies, exchanging arguments. It was a real battle for the self-management body's beliefs. Its outcome merits special mention. Of the 47 council members taking part in the vote, a majority--30, to be exact--were against the letter and 17 were for it. These 17 votes in favor are significant when viewed against the background of the session and the first ballot, as the 23 votes against putting it back on the agenda were equivalent to its endorsement. During the debate, then, five or six people realized they had been manipulated or were won over.

The specters at Zachem were not aroused from their sleep, but it is very likely that the whole affair may now well arouse the self-management body, which realized that it cannot remain indifferent or take more interest in a soccer match than in the substance of what is being read out to it, that it must not allow anyone to manipulate or exploit it.

So let it be. Let this story also alert all other self-management bodies which are or may face attempts on them such as the one undertaken at Zachem. Self-management bodies have countless genuine problems, difficulties and obstacles before them, but if they yield to attempts to implicate them in antisocialist actions, then they may lack the energy and strength to fight for authentic self-management within the boundaries laid down by law.

But perhaps this is exactly what the underground is trying to achieve?

/8309
CSO: 2020/49

MALINOWSKI AT TRAINING CENTER FOR CIVIL SERVANTS

Warsaw RZECZPOSPOLITA in Polish 18 Nov 85 p 1

[Excerpts] On 16 November, Sejm Speaker Roman Malinowski met the lecturers and students of the Post-Graduate Training Center for Civil Servants.

Malinowski gave much attention to the functioning of the state administration.

"Our general principle is to perfect the process of democracy by abandoning the system of central decision-making and transferring the respective rights to self-governing bodies," he said. "This is the reason for the changes within the central administration which should help to ensure a correct and efficient functioning of the regional administration. All the same, everyday practice still leaves much to be desired. That is why regional administration should give greater attention to cooperation with self-government, civic and professional organizations in their respective regions. Participation in decision-making is the most important thing.

The socioeconomic situation affects the condition of the state administration and, considering this, administration is quite efficient," Malinowski concluded.

/8309
CSO: 2020/49

TEENAGERS REQUEST ASYLUM IN SWEDEN

Warsaw TRYBUNA LUDU in Polish 20 Nov 85 p 7

[Article by PAP Stockholm correspondent Tomasz Walat]

[Text] Two Polish teenagers, Adam Z., 15, and his brother Krzysztof, 13, who at the end of October left their home in Zyrakowo, near Debica, and, by hiding in the undercarriage of a truck, smuggled themselves into Sweden via Swinoujscie, have by the Swedish authorities been sent to a camp for political refugees at Oxeloesund 100 km south of Stockholm. The two boys asked for political asylum when they were detained by the police. The Swedish immigration office consider their application seriously, which is reflected in the fact that the boys were sent to a transit camp, where they are to await the results of the proceedings.

The PAP correspondent has managed to talk to the older of the "political refugees." Asked what reasons for asylum he had given to the Swedish authorities, he mentioned the fact that his grade in the school subject "civilian defense" was only a pass, that he did not take part in the May Day celebrations, that a militiaman had boxed his ears for crossing the road at red light, and that he and his friends had been reprimanded for their hairstyles. The boy said that his family in Poland did not have any special financial problems and placed themselves at the national average. Both boys went to school--one was in the second year of a mechanical vocational school and the other in the seventh year of primary school. It followed from what he said that they had not yet started school in Sweden and although they were living in a makeshift camp, which is situated on a housing estate, they were more or less without suitable care. The local civil court intends to appoint them a guardian.

The Swedish authorities, who often invoke the principle of uniting families, have not even informed the parents about the fate of their children. Adam said that he had only recently decided to send a letter to Poland describing their adventure.

The case of the Polish boys is in stark contrast to the fate of nine Lebanese children, who are the object of extensive concern in the Swedish press at the moment. The children came to Sweden on 7 October, escaping from the war in

Lebanon. Through lack of room some children were kept in a police station until 10 October, when all of them together with the women accompanying them were sent back to Beirut despite the warnings of Swedish lawyers and doctors that they might be killed on return. Loud but belated protests are now being voiced by the press and the organization "Save the Children," which has brought a court action against the police at Stockholm's Arlanda airport.

This shows that different yardsticks are used to deal with different kinds of refugees. The Polish mission in Sweden will be intervening in the case of the boys from Zyrakowo.

/8309
CSO: 2020/49

NEW COURSE REQUIREMENTS FOR STUDENTS

Warsaw RZECZPOSPOLITA in Polish 26 Nov 85 p 5

[Text] (Own report) One of the more important tasks facing the country's universities is to counteract the slack discipline in completing courses on time.

According to an analysis carried out by higher education authorities, in some universities a half or more of students in their final year do not complete their courses on time. This causes serious complications in fulfilling employment plans, especially with staffing schools, and entails additional costs.

An improvement of the educational process should be facilitated by the amendments to the law on higher education, which define the powers and duties of various bodies responsible for the activity of higher schools. It should also be served by changes to the framework course requirements introduced on 23 November by the minister of higher education and science.

The changes mainly concern the principles and deadlines for submitting master's dissertations and taking final exams. Under the new regulations, students are required to submit their dissertations by 15 January if their course ends in the winter semester and by 30 June if it ends in the summer. The final exam should be taken within three months of submitting the dissertation (formerly four weeks).

It is still possible to postpone the deadline for submitting a dissertation, by three months at the most, in cases justified by a student's prolonged illness, the inability to conduct the required experiments because of an absence or breakdown of research instruments, or in other circumstances beyond the student's control.

A student can be struck off the list for failing to keep to the deadline for submitting his master's degree dissertation. He will then only be allowed to resume his studies after working for a year in a state-run enterprise or after completing military service.

/8309
CSO: 2020/49

POLITICS

POLAND

OPZZ DELEGATION IN MOSCOW

Warsaw RZECZPOSPOLITA in Polish 23-24 Nov 85 p 7

[Text] Moscow (PAP)--A delegation of the All-Poland Trades Union Alliance [OPZZ] led by Jerzy Uzieblo, head of the OPZZ Commission for International Cooperation, has concluded a working visit to Moscow.

The OPZZ delegation has acquainted itself with the international activity of Soviet trade unions.

The results of bilateral cooperation pursued so far and prospects for its development were discussed during meetings with secretaries of the All-Union Central Council of Trade Unions, K. Matskhiavichius and A. Subbotin and with the officials of the council's foreign department.

/8309
CSO: 2020/49

NATIONAL DEFENSE COMMITTEE MEETING

Warsaw RZECZPOSPOLITA in Polish 26 Nov 85 p 1

[Text] On 25 November, the National Defense Committee met under the chairmanship of General Wojciech Jaruzelski.

The committee heard the chairman's report on the meeting in Prague of the Warsaw Pact member-country leaders during which the results of the Geneva meeting between the CPSU Secretary General and the U.S. President had been presented. Speakers pointed to the importance to security and peace of the Geneva talks, pointing to the significance of Soviet initiatives.

The committee reviewed certain problems which involve improvements to systems vital to the functioning of the state and the observance of official secret rules in the area of national defense. The National Defense Committee took the relevant decisions regarding the matters discussed.

/8309
CSO: 2020/49

POLITICS

POLAND

KOHL RECEIVES POLISH JOURNALISTS

Warsaw TRYBUNA LUDU in Polish 26 Nov 85 p 7

[Text] A group of Polish journalists representing daily papers, press agencies, periodicals, radio and television was received by Chancellor Helmut Kohl on 25 November during their visit to West Germany.

The meeting centered on the state and prospects of bilateral relations between Poland and West Germany as seen after the Geneva summit and the coming 15th anniversary of the agreement on the normalizations of Polish-West German relations.

/8309
CSO: 2020/49

POLITICS ROMANIA

BRIEFS

PEOPLE'S COUNCILS APPOINTMENTS--On the basis of Article 97 of Law No 57/1968 on the organization and operation of the people's councils, the president of the Socialist Republic of Romania decrees that Comrade Nicolae Busui is appointed chairman of the executive committee of the Bistrita-Nasaud County People's Council, Comrade Ioan Pavel is appointed chairman of the executive committee of the Caras-Severin County People's Council, Ilie Matei is appointed chairman of the executive committee of the Timis County People's Council, and Comrade Niculina Noraru is appointed chairman of the executive committee of the Vrancea County People's Council. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 63, 20 Nov 85 p 2] /9274

NEW POST FOR ANDREI--The president of the Socialist Republic of Romania decrees that Comrade Ilie Verdet is relieved of his position as chairman of the Central Council for Worker Control of Economic and Social Activity and Comrade Stefan Andrei is appointed chairman of the Central Council for Worker Control of Economic and Social Activity. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 59, 15 Nov 85 p 1] /9274

NEW POSITION FOR BURACU--The president of the Socialist Republic of Romania decrees that Comrade Gheorghe Costea is relieved of his position as state inspector general in the State General Inspectorate for Control of the Quality of Products and Comrade Mihail Victor Buracu is appointed state inspector general in the State General Inspectorate for Control of the Quality of Products. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 59, 15 Nov 85 p 2] /9274

IVASCU ELECTION--The Grand National Assembly of the Socialist Republic of Romania resolves that since Comrade Deputy Ilie Vaduva is appointed minister of public affairs he is relieved of his position as deputy chairman of the Grand National Assembly and Comrade deputy Marin Ivascu is elected deputy chairman of the Grand National Assembly. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 61, 16 Nov 85 p 8] /9274

TERRITORIAL-ADMINISTRATIVE CHANGES--The Council of State of the Socialist Republic of Romania decrees that as of the date of the present decree the communes of Ciorogirla, Clinceni, Cornetu, Darasti-Ilfov, Domnesti and Dragomiresti-Vale are transferred from the jurisdiction of Giurgiu County to the jurisdiction of the Ilfov Agricultural Sector, subordinate to

Bucharest Municipality. The annex to Law No 2/1968 on the administrative organization of the territory of the Socialist Republic of Romania is amended accordingly. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 65, 2 Dec 85 p 1] /9274

RECOGNITION OF ORTHODOX CLERGY--The president of the Socialist Republic of Romania decrees that Bishop-Vicar Simion Florea is recognized in the position of bishop-vicar, with residence in Constanta Municipality, of the Archdiocese of Tomis and the Lower Danube, to which he was elected by the Synod of the Romanian Orthodox Church on 30 September 1985. Archimandrite Nicolae Mihaita is recognized in the position of bishop-vicar to the Romanian Orthodox Patriarchate, to which he was elected by the Synod of the Romanian Orthodox Church on 30 September 1985. Archimandrite Constantin Argatu is recognized in the position of bishop-vicar, with residence in Curtea de Arges, of the Diocese of Rimnicu and Arges, to which he was elected by the Synod of the Romanian Orthodox Church on 30 September 1985. The priest Ion Mares is recognized in the position of bishop-vicar of the Diocese of Roman and Husi, to which he was elected by the Synod of the Romanian Orthodox Church on 30 September 1985. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 65, 2 Dec 85 p 3] /9274

CSO: 2700/43

POLITICS YUGOSLAVIA

SLOVENIA'S HAFNER DISCUSSES ROLE IN FEDERATION

Belgrade NEDELJNE INFORMATIVNE NOVINE in Serbo-Croatian No 1814, 6 Oct 85 pp 14-18

[Interview with Vinko Hafner, president of the Slovene Assembly, by Svetislav Spasojevic: "The Slovenes on Our Federation";date and place not given]

[Text] NIN's guest this week was the president of the Slovene Assembly. As on of the politicians who has lived in Belgrade during a term in a federal post, and as a person who is familiar with this area and its specific characteristics, he could also have been a very good interlocutor regarding events in Belgrade, or for instance regarding NIN. We decided to talk with him about the far more relevant issues of the functioning of our federation and about Slovene views on this problem, concerning which, let us admit, there have recently been a considerable number of simplifications, mistakes, and misunderstandings. Comrade Hafner, who is familiar with both our "federal" problems and also Slovene ones, proved to be an inspiring interlocutor.

[Question] Comrade Hafner, in view of your many years of sociopolitical activity, your experience from working in federal bodies, and all this in connection with your present duties as the president of the Slovene Assembly, I would like to ask you a few questions that are related primarily to the present political and economic situation in Slovenia, the activity of the delegate assembly system, and relations between the republic and the federation.

[Answer] All right! Excuse me, however, if I express to you at the very start of our conversation my feelings of responsibility and even a certain concern in making statements for NIN. In the first place, because NIN is a fairly influential and widely read weekly, especially in the Serbo-Croatian linguistic region, and one should thus think seriously about what one says to it. In the second place, because NIN has recently devoted an unusual amount of attention to Slovenia. This year alone it has published more than 60 long or short articles that were directly or indirectly related to Slovenia.

[Question] Well, that could be considered very positive.

[Answer] Of course, if many of these articles had not expressed an excessively critical and one-sided assessment of political and economic events in Slovenia, especially in regard to relations between Slovenia and the federation. This is particularly significant because NIN is certainly not expresing just the opinion of its editors, but also of the social milieu where it originates and is read the most.

[Question] I understand. We can clear up some of this in our conversation. Let us begin with the following question: What is Slovenia most concerned with at this time, and why?

[Answer] It is concerned with the same essential problems and goals as all of Yugoslavia. These are above all how to protect and further develop the self-managing socialist order and how to achieve a turn away from the present economic instability, i.e. economic crisis, which is partially also a social crisis, toward stable and successful socioeconomic development again. Admittedly, the attitude toward this and the actual support for it have not always been identical in all social milieux or parts of associated labor. Nevertheless, I think that this is now a true concern of the Slovene people and the working class, and of all organized socialist forces. This is a result of the increasingly clearer realization of working people that only stable and successful economic progress can confirm and ensure the successful development of socialist self-management. And vice versa!

[Question] How much does the activity of the delegate assembly system contribute to achieving these basic goals?

[Answer] It is by no means easy to evaluate this. Specifically, if we assess the activity of the delegate assembly system from the point of view of external organization, i.e. by the number of meetings of the assembly councils and their bodies, by the attendance of delegates and their discussions at the meetings, by the number of measures discussed and adopted, then we could say that the delegate system is making progress and acting effectively. But if we assess it from the point of view of substance, i.e. from the point of view of how the delegate system expresses and achieves the authentic interests of workers and working people, and how this system ensures their direct influence upon overall social reproduction, then I think that so far, by implementing the delegate system, we have made modest progress in comparison with the previous representative system, i.e. the committee member-deputy one. Certainly the organizers of assembly work at all levels, together with the subjective social forces, seriously support more effective action by the delegate system, but they are hampered in doing so by some completely objective difficulties.

[Question] Which difficulties do you have in mind? Can you cite them more specifically?

[Answer] They are the same difficulties that are also hindering the successful development of socialist self-management, of which the delegate system is an inseparable part. These are above all economic instability and the broad extent of administrative involvement in all areas and flows of social reproduction. In such circumstances the actual role of the delegates and the delegate assemblies is very restricted, and subject to excessive influence from executive-administrative bodies and political leadership structures. I think that this assessment applies to all levels, and especially to the Federal Assembly. Any progress toward the stabilization of social and economic events would contribute a great deal to strengthening the delegate system, and this would contribute to general social stability. And vice versa: a further intensification of the instability would completely destroy the real meaning and advantages of the delegate system.

[Question] The agenda for meetings of the Council of the Republic Assembly regularly includes very significant issues under the jurisdiction of the federation, on which the Federal Assembly or the Council of Republics and Provinces makes decisions on the basis of so-called consensus, i.e. in agreement with the republic and provincial assemblies. How do you assess the present relations within the federation in terms of this joint decision-making? And, first of all, what is the federation today? Is it only the army and foreign policy, or is it what the Constitution provides for, from the united socioeconomic order, the united market and money, to a joint development policy?

[Answer] The Yugoslav federation is everything that you have listed, and above all, it is a federally organized community of free and equal peoples and nationalities, based on socialist self-management relations. It is from such a basic definition of the federation that all the other elements of the Yugoslav community are derived. Our peoples joined together in such a federation because of quite specific vital interests, i.e. in order to ensure within it, on a lasting basis, their own national identities, their own freedom, and successful and stable socioeconomic development. Consequently, any consideration of turning it into some kind of confederation, a completely diluted community of national states, is absurd and harmful. It would likewise be harmful to turn it into a unitaristic and centralistic state, based on etatist-bureaucratic relations. That would also be a serious blow to our true community, since regardless of different historical and social conditions, it would give rise to the same disuniting inter-nationality and social antagonisms that destroyed the old unitaristic Yugoslavia in only 10 days of military conflict. We must never forget this!

[Question] It is often heard that no republic could survive independently. People even go to the point of asserting that this is the main reason for the existence of Yugoslavia. Do you agree with such an assessment? Could Slovenia, for instance, survive by itself, or not?

[Answer] Naturally, their being Slavs, emotional attitudes, and traditions contribute to strengthening the feeling that Slovenes belong to the Yugoslav community. The essential thing, however, is what one could banally view as practical considerations. These are real vital interests -- national, class, and economic. You know, even the strength of the community feeling among our peoples essentially depends upon the same real preconditions as the solidity of a family, or the marriage of a husband and wife. Naturally love and emotions, mutual respect and trust, and tradition are important. Nevertheless, children in common, property, and mutual economic-social dependence and security are fundamental. The same thing is also essentially true of our Yugoslav community.

You ask whether Slovenia could be left by itself, and constitute itself as an independent state. That is not realistic! Admittedly, there are even smaller states in the world. Likewise, each of our peoples has a right to self-determination, including secession. There are individuals, naturally not well-intentioned ones, who assure Slovenes that it would be best for them to separate themselves from Yugoslavia and join some sort of central European federation. Perhaps in some distant future the Slovenes, and even other Yugoslav peoples, in completely different international circumstances, will really consider some different possibilities. Today, however, the vast majority of Slovenes do not attach any significance to such schemes, since they consider Yugoslavia the only real and progressive alternative, and view all others as completely unreal, and as attacks on our fundamental national and class interests. In fact, the vast majority of Slovenes are convinced that just as 40 years ago in the national liberation struggle it was only by uniting with other Yugoslav peoples that we were able to prevent our destruction and ensure free and successful progress in our own national republic, today as well we can ensure the same thing only by being united in a federal, self-managing, and socialist Yugoslav community.

[Question] Then why has there been such an increase in criticisms by Slovenes, high forums, including the Republic Assembly, and the news media, of the situation in relations within the federation? Isn't this something similar to the exaggerated criticism of events in Slovenia for which you are criticizing the editors of NIN? And isn't this proof of an increase in nationalistic aspirations in Slovenia?

[Answer] It is true that today the critical attitude of Slovenes toward events in the federation and in individual republics is fairly pronounced. In this, there is always some lack of objectivity, exaggeration, and nationalist aspirations, which are certainly increasing in Slovenia. That is not crucial, however! In fact, the real and deeper cause of the increase in criticism is the noticable deterioration in the economic and social position of the majority of workers and working people, and thus also of the Slovene nation as a whole in the present economic crisis. It is also associated with the reduction in the ability of workers in associated labor to solve their own problems and society's through self-managing decision-making; this also weakens their confidence in successful socioeconomic development on the basis of socialist self-management relations. It is clear then that the causes for such an uncomfortable situation should be sought, among other things, in the past development policy of the federation, and of each individual republic and province, including Slovenia itself, and that the criticism and distrust are particularly increasing in regard to current economic policy in the federation. All of this is nothing that is unique to Slovenia, and it is only to a lesser extent that it can be ascribed to an increase in nationalist aspirations.

[Question] Tell us, Comrade Hafner, what is dividing us today, 40 years after the constitution of the new federal, self-managing, and socialist Yugoslavia, and what is the most fundamental thing that unites us?

[Answer] A short answer for a very broad question! I have already told you some of it. We are divided primarily by the quite objective circumstance that we arose as nations and as national working classes in very different conditions. This caused perceptible differences in the degree of economic, social, and cultural development. In the 40 years of the new Yugoslavia's development, we have perceptibly reduced these differences, but we have not been able to liquidate them, nor can we do so in the near future. Consequently, they will continue to be the main objective source of contradictions and disunity, and we can gradually reduce them only through the successful socioeconomic progress of Yugoslavia as a whole and of each republic and province. This requires, above all, the successful implementation of the Long-Term Economic Stabilization Program and the correct outlining of future socioeconomic development and of progressive systemic solutions for the next medium-term and long-term periods.

[Question] And what unites us most?

[Answer] I will only cite two fundamental things. In the first place, as I have already mentioned, there is the profound belief of our peoples that it is only united in a federal Yugoslavia, as we constituted it through the decisions of the second AVNOJ [Antifascist Council for the National Liberation of Yugoslavia] session and through the present Constitution, that we can ensure our national survival, freedom, and sovereignty. In the second place, there is our adherence to socialist self-management, i.e. to a social order that leads to the true liberation of labor and man, and in the final analysis to the creation of a community of free producers, i.e. a classless communist society. This is the historic interest of the working class, the profoundly class interest that strongly links us today in the Yugoslav community. In fact, in what other state system could we successfully realize this interest, at least under present conditions? Not in a single one? Admittedly, this vital element of our mutual dependence and unification is considerably weakened and underestimated today, both because of the above-mentioned objective difficulties, especially economic ones, and also because of certain subjective failures. In spite of this, it is today, and will be in the future, the most significant factor in Yugoslav cooperation.

[Question] What role do the subjective socialist forces, especially the LCY, play in this?

[Answer] It is good that you mentioned this! The subjective socialist forces are very [words omitted] the unification of our multinational Yugoslav community, which is also very diverse in terms of socioeconomic development. This especially applies to the LC, as the political vanguard of the working class, the most responsible and most influential social force.

Nevertheless, we should not idealize and overestimate its social role and influence. In fact, the LC and individual communists live and work in different national and social milieux with very different and often even conflicting interests. Their class consciousness, communist consciousness, and knowledge, however, make it possible for communists to be able, at least to a certain extent, to rise above local and parochial interests, and fight for the broader, current and historic, interests of the working class. You know quite well, however, that today this class consciousness, communist consciousness, for different reasons, has been considerably weakened, and this has also weakened the social reputation and influence and the effectiveness in action of the LC as an integrating social factor. I do not mean by this that they have been destroyed. On the contrary, the LC, with 2,100,000 members, possesses great moral and creative forces, and enough social influence that by mobilizing the working class and our peoples it can turn the current unfavorable socioeconomic trends toward stable prosperity again, and toward strengthening the federal Yugoslav community.

[Question] In connection with our unity, it is often asked whether we have only one working class, i.e. a Yugoslav one, or whether we also have the working classes of the individual republics and provinces. What do you think of this?

[Answer] I think that it is already apparent from our basic political documents, such as the LCY Program and the Constitution, and also from our social reality, that we have both one and the other, i.e. the working classes of the individual republics and provinces, and a Yugoslav working class, as a sort of class-social unification of them. How could we imagine the Slovene people and the Slovene republic without a Slovene working class? And how could we imagine the Yugoslav federal state, based on self-managing socialist relations, without the Yugoslav working class? In reality, national and class are inseparably linked, and we cannot put one above the other. And the creation of the unity of the Yugoslav working class is influenced by the same linking and divisive circumstances as the creation of the unity of our peoples and nationalities.

[Question] Purely economic factors, i.e. the unified economic area and system, the unified market, money, the operation of economic laws and economic coercion, must also be a significant basis for linkage and cooperation.

[Answer] You are absolutely right! If we are faced today, more than ever, with a multitude of antagonisms, which sometimes assume the significance of inter-nationality or class conflicts, then of course this is, among other things, a consequence of the excessively restricted operation of the economic laws of socialist commodity production. Instead of resolving many economic and social contradictions and antagonisms naturally, through the operation of economic laws in the social base itself, i.e. in associated labor and in the market, they are converted by the excessive involvement of the administration, i.e. of politics in the economy, into antagonisms between the workers and the state, i.e. the social community, and serve as a basis for generally unjustified accusations about who is exploiting whom. Today this is one of the main sources of the exacerbation of the antagonisms among the republics and provinces, and also antagonisms in the activities of the federation, including the Federal Assembly. Consequently, any step toward the more effective operation of economic laws, while simultaneously strengthening the self-managing pooling of labor and funds throughout Yugoslavia, would certainly reduce the causes of the present antagonisms, and strengthen the real foundations of our cooperation, while a continuation of the present excessively broad administrative interference in the economy would only weaken them even more.

[Question] You also mentioned the activities of the Federal Assembly. Its

Council of Republics and Provinces makes decisions on vital issues, especially economic ones, on the basis of so-called consensus, i.e. with the agreement of the delegations from all of the republics and provinces. What do you think -- is consensus really a way of going from individual interests to the unified Yugoslav interest, or is consensus only (there are more and more such opinions) a means of subordinating common interests to individual and parochial ones?

[Answer] I am convinced that it is precisely this consensus, which has been criticized so much, that is the infallible constitutional basis for the successful affirmation of Yugoslavia as a true community of free and equal peoples and nationalities. It is true that the need for a consensus causes certain difficulties, especially in the present difficult socioeconomic situation, and sometimes even serious damage, because of significant delays or unprincipled compromises in adopting some significant decisions. In spite of this, the positive aspects of consensus are much more significant than the negative ones. Above all, it best expresses the full responsibility of the republics and provinces, as constituent parts of the federation, for finding solutions which at least can basically ensure simultaneously both the fundamental vital interests of each republic and province, and the successful development and stability of the entire Yugoslav community. This requires that all parties participating in delegate decision-making acquaint themselves very seriously with the position of the others, that they patiently come to an agreement, and, which is most important, that they also bear full collective, political, and personal responsibility for the correctness and implementation of the decisions accepted by consensus.

[Question] What influence upon the realization of a federation constituted in that way is exercised by its bodies, and how do you assess their activity?

[Answer] The role of the bodies of the federation is naturally very significant. Nevertheless, they are not the same thing as the federation, as a community of peoples and nationalities and workers in associated labor, which, with all of the well known antagonisms and misfortunes, is nevertheless actually stronger, more progressive, and more effective than it sometimes appears to be in terms of the activity of its bodies. Although many capable, honest, and progressive people work in them, the overall federal mechanism (and especially the federal mechanism) today is not capable enough, nor does it have enough of a reputation, to be able to perform successfully its very difficult and responsible role in the functioning of Yugoslav federalism.

In addition to this, the federal mechanism, like every large concentration of administration or management structures, is objectively exposed to continual bureaucratic-etatist, centralist desires for autonomous power, or guardianship over the peoples and the working class. Continual caution regarding its degeneration and incessant supervision and pressure from the delegate bodies and the subjective socialist forces are therefore justified.

[Question] What is the cause of such a situation in the bodies of the federation, and who is responsible for it?

[Answer] The cause lies primarily in underestimation of the social role of the bodies of the federation, and especially of the federal administration; this is clearly reflected both in the unfavorable composition of its personnel and in the insufficient effectiveness of its activity. Naturally, those responsible for such a situation are most of all the highest federal bodies and individual high officials in them. These include the SFRY Presidency, the Federal Assembly, and the Federal Executive Council. They also include the federal leaderships of the sociopolitical organizations, especially the LCY Central Committee and its Presidium. I am also not excluding the Federal Economic Chamber and other economic associations, which likewise have a significant effect upon the activity of the entire federal system.

[Question] And the responsibility of the republics and provinces?

[Answer] That is just what I wanted to say. In my opinion, the republics and provinces, and their political leaderships, on the whole are even the ones most responsible for the situation in the bodies of the federation. In fact, the republics and provinces have a decisive influence upon the composition of the cadres of all of the bodies of the federation, and also significant influence in practice upon their activity or decision-making. Furthermore, the republic and provincial leaderships, including our Slovene leadership, behave in a very ambiguous way. On one hand, we all stress how much we need respected and effective federal bodies, and so the most capable cadres, highly respected and progressively oriented, should work in them; but when cadres are selected in practice, as a rule we give preference to the needs of our own republic and not the federation. Perhaps the selection of cadres for the most responsible and most influential positions in the federation is an exception, but not always. And in the second place, we all give verbal support to the principle that cadres in the federation, regardless of where they are recruited, should not be guided by the parochial interests of individual republics and provinces, but must consistently represent the interests of the entire Yugoslav community.

In practice, the republics and provinces treat these cadres as their own true representatives. They therefore have their trust and moral support only as long as their positions and solutions sufficiently coincide with the positions and interests of their republic. But immediately, when they get into a conflict with them, friendly persuasion comes first. And if this happens frequently or continually, then they are politically disqualified or "written off." This is a crude political reality, which is the greatest obstacle to the effective operation of Yugoslav federalism, in addition to certain objective circumstances.

[Question] Do you expect the delegate elections and the congresses of the LC and the other subjective forces next year to help overcome these acute problems more effectively?

[Answer] Of course they will help, although in this short period and in the given objective circumstances they cannot guarantee any radical progress, which can be achieved only through a lengthy process of social transformation and the maturing of society's awareness and knowledge of what really moves the Yugoslav community forward and what pulls it back.

[Question] Comrade Hafner, your very interesting and relevant discussion of the topic "The League of Communists, Communists, and Communism" was published in the second issue of the journal SOCIJALIZAM this year. What led you to such reflections, and what did you want to accomplish with them?

[Answer] I was led to reflect on this above all by the very critical and creative discussion of the Draft Conclusions of the 13th Session of the LCY Central Committee. The question of what essentially brought us to the present crisis situation, how we can get out of it, and what the role of the LC, as the most influential and most responsible social force, should be in this, was raised very often during the discussion. This logically gave rise to a question of what the LC really is, what communists are, and what communism really means to us. Specifically, in the LC's Program and Statute, the achievement of a classless communist society is defined as the historic interest of the working class, and the final goal of the activity of the LC. I tried to assess what the attitude of communists toward this historic task is like today, and how this is linked to the ideological commitment and social activity of communists in the present stage of our socioeconomic development. In doing this, I wanted to prove that the clear and firm adherence of communists to the idea of communism can only strengthen their class consciousness, ideological unity, and successful action, and not weaken them, by any means. That was the purpose of this discussion, although I do not know how convincing I really was about this.

[Question] Tell us your opinion of the implementation to date of Tito's idea about strengthening collective work and responsibility, and of instituting a one-year term for the presidents of collective social bodies?

[Answer] Any objective assessment of this cannot be simple at all, and may be very contradictory. On one hand, the implementation of Tito's idea has certainly contributed to the further democratization of social activity and cadre policy, strengthened the collective work of social bodies, and expanded the cadre base for the selection of cadres for the most responsible social positions. The introduction of a one-year term particularly helped to limit the so-called presidential system, which was manifested through the superiority or excessive influence of the presidents of the collective bodies. On the other hand, incautious implementation of Tito's idea, especially in the application of the one-year term, has also had some very harmful consequences.

Above all, the opinion has spread that a less qualified cadre can also be selected for such a responsible position for a year, since he will quickly be replaced by others who are more qualified. And since such a practice is usually repeated, this necessarily leads to a harmful lowering of the criteria for the selection of cadres for responsible social positions, i.e. to an increasingly more evident mediocrity. And in the second place, the one-year term has hampered the continuity of work and the successful implementation of the programs for the work of individual collective bodies, which depends to a considerable extent upon ability and effect, and upon some permanence on the part of the presidents. Of course, this is not as apparent in the activity of collective bodies with a permanent professional and competent staff as it is in the bodies with volunteer personnel or in bodies in which the composition of the leadership is changed every year. In addition to this, the change in the president of the assembly every year certainly contributes to an undesirable increase in the influence of the professional apparatus of the assemblies themselves, as well as in the influence of the executive-administrative bodies, upon the activity of the delegate assembly system as a whole. I also see all of these difficulties in the activity of the Federal Assembly, even though its leadership is urging forcefully that its tasks be carried out as responsibly and effectively as possible. When I view matters from this angle, it seems to me that a one-year term would be more harmful than beneficial to the successful activity of the assembly delegate system.

[Question] And what solution do you consider the most advisable? Perhaps what you introduced in Slovenia, i.e. a two-year term with the possibility of repeating it once?

[Answer] That seems to me to be more efficient than a one-year term, and it does not at all prevent the implementation of Tito's idea -- strengthening collective work and responsibility. I think that the most appropriate solution would be having the term of the president last as long as the term of the members of the collective bodies, i.e. as a rule four years, without the possibility of a repetition.

[Question] Finally, Comrade Hafner, tell what Slovene experiences you can recommend as, one might say, a prescription for overcoming the present Yugoslav difficulties more rapidly and more successfully.

[Answer] Are you assuming that the Slovenes could have such a prescription?

[Question] Why not? You are the most developed republic, with the longest industrial tradition, and with well-developed economic cooperation throughout Yugoslavia and outside it. Many good experiences and progressive views must arise from this, which could also benefit others.

[Answer] I think you are right, and I would be very satisfied if your editors, as well as other responsible officials in Yugoslavia, felt the same way. We have already mentioned the increase in the critical attitude of Slovenes wth respect to events in Yugoslavia and individual republics and provinces, an attitude in which there is always some intolerance and bias. And the attitude of others toward the Slovenes is even worse. For example, in the present discussions about current issues related to the economic system and current economic policy, differing Slovene positions are usually being condemned in advance as unacceptable and as an expression of some sort of Slovene selfishness and pretensions, and only then does one begin to think about them as possible rational and progressive solutions. Such intolerance does not lead to progress, and only intensifies the objective antagonisms.

It is clear that the greater economic development of one republic or province does not mean in and of itself that this people and its representatives are more sensible and more progressive. But since greater economic development, as a rule, is associated with a longer industrial tradition and a greater socialization of labor and workers' culture, then all of this together certainly gives rise to some more rational and progressive ideas about the system for managing social reproduction and controlling the value produced.

This by no means applies only to Slovenia. All of the republics and provinces have some more developed regions and centers, with which they are particularly concerned, seeing them as the main foundation for their economic and social progress. Furthermore, Slovenia, with its open borders, has considerable economic ties with the neighboring developed Italy, Austria, and even Hungary, which is certainly not beneficial just to Slovenia and Croatia, but also to all of Yugoslavia. All of these activities should be given serious consideration in judging the essence and caution of various Slovene views.

[Question] And your "Slovene prescription," let us say?

[Answer] The Slovenes do not have any universal prescription for solving the present Yugoslav problems. If we did, we would use it ourselves first of all in order to overcome our own problems more successfully. Nevertheless, we do have our joint Yugoslav prescription, i.e. successful implementation of the Long-Term Economic Stabilization Program, while simultaneously strengthening the self-management position of workers. And one more -- let us all live on our own work and our real disposable income, and then we will all certainly be able to overcome our own difficulties and those common to Yugoslavia more successfully!

9909
CSO: 2800/55

INDUSTRIES POLLED ON HIGH-SPEED STEEL CONSUMPTION DURING 1979-1982

Katowice WIADOMOSCI HUTNICZE in Polish No 9, Sep 85 pp 219-223

[Article by Leszek Dobrzanski and Eugeniusz Hajduczek, Silesia-Gliwice Polytechnic: "An Assessment of Domestic High-Speed Steel Consumption and Quality Standards in the Manufacture of Cutting Tools"]

[Text] 1. Introduction

High-speed steels, although making up a small share of total steel production, have been the object of keen scientific and engineering interest for over 100 years. The fabrication of tools with very high functional properties at the lowest possible cost lies at the basis of every modern technology and determines its application. Consequently, it has an important influence on the development of many branches of industry. The cost of the products produced in these branches of industry is also dependent upon the quality of the tools.

The present economic situation, therefore, requires that domestic consumption of high-speed steels be made more efficient. Systems changes must be made which would ensure a reduction in the consumption of these materials by increasing the life of the tools made from them and which would ensure reduced consumption of scarce alloying elements, particularly W, Co and Mo. The correct selection of chemical composition of steel for particular groups of tools, the right choice of metallurgical process, and the correct processing of semifinished products, including heat treatment and thermochemical treatment in the manufacture of tools, are especially important at this time (1-4).

In the foregoing work, an assessment has been made of the structure of high-speed steel consumption in domestic industry, of the availability of high-speed steel tools and heat treatment and thermochemical equipment, and of the state of the art of tools manufactured in Poland from these steels. In order to make this assessment, a questionnaire was prepared, on the basis of which complete information was obtained from 111 plants which produce and use high-speed steel tools and 11 plants which use these tools but buy them from other manufacturers (5). The total amount of high-speed steel tools consumed by these plants is approximately 70 percent of the overall domestic consumption (6). The years 1979 to 1981 and the first 6 months of 1982 are covered by the poll.

Table 1. Consumption of Various Grades of High-Speed Steels for Tools Fabricated by Plants Polled

(1) Gatunek stali	(2) Typ stali	(3) Łączne względne zużycie stali szybkotnących na narzędzia produkowane przez ankietowane zakłady, % masowy			
		1979	1980	1981	(4) I półrocze 1982
SW7M	6-5-2	71,4	77,6	68,0	73,3
SW18	18-0-1	17,8	15,0	13,8	14,0
SW12C	12-0-2+C	1,1	0,98	0,91	0,93
SKC	12-0-2-5+C	5,8	4,1	11,8	1,97
SK5	18-0-1-5	0.2	0,19	0,12	0,15
SK5V	12-1-5-5	0,06	0,07	0,07	0,14
SK5M	6-5-2-5	0.06	0,05	0,06	0,05
SK5MC	7-4-2-5+C	0,1	0,16	0,14	0,32
SK5MV	6-5-5-3-5	0.43	0,33	0,27	0,41
SK8M	2-9-1-8+C	0.03	0,03	0,03	0,09
SK10V	10-4-3-10	0.8	0,56	0,46	0,56
SW3S2	3-1-2+2Si	0,11	0,08	0,33	0,41
SW2M5	2-5-1	—	—	2,8	6,0
SW7	7-0-1	0,3	0,28	0,23	0,39
SW9 (NW9)	9-0-2	0,75	0,64	0,65	0,93
Ogółem (5)	ton (6)	5283	5193	5048	1850

Key:
1. Grade of steel
2. Type of steel
3. Total relative consumption of high-speed steels for tools produced by plants polled, percentage of aggregate
4. First half of 1982
5. Total number of tons

2. Assessment of Structure of Domestic High-Speed Steel Consumption

Based on data obtained from the poll it was determined that 15 grades of high-speed steels are used in this country (Table 1), including 8 covered by PN-77/H-85022, 2 covered by PN-77/0631-05, and the others are nonstandard. Imported steels, corresponding to Polish grades SW7M, SK10V and SK8M, were also used in small amounts.

During 1979 to 1982 overall consumption of high-speed steels declined almost 30 percent as compared to 1979. In 1979 SW7M was the most widely used steel (71.42 percent), and also SW18 (17.8 percent). On the other hand, consumption of SW12C (1.1 percent) and SW3S2 (0.11 percent) was low. Co-bearing steels were not widely used (a total of approximately 8.32 percent), as were steels with low Mo and W content (about 2 percent in all). Very little NW9 high-alloy steel was used in coldworking applications appropriate to high-speed steels (about 0.75 percent).

The structure of high-speed steel consumption in the years that followed did not change very much. Up to 1981 consumption of SW7M declined to approximately 68 percent, while SW18 steel consumption dropped to about 13.8 percent. The drop in consumption of SW12C (to approximately 0.91 percent) and NW9 steel (to about 0.65 percent) was small. But the consumption of steels containing low amounts of alloying elements, i.e., SW2M5 and SW7 (to 3 percent), SW3S2 (to 0.33 percent), and the total consumption of Co-bearing steels (to 13 percent), rose.

Table 2 shows the assortment structure of tools produced by the plants polled, while Table 3 shows the assortment structure of tools purchased by these plants. The largest plants which produce tools for trade purposes mainly use SW7M steel. In view of the large use of SW7M steel by a small number of trade tool producers, the high-speed steel consumption structure in the remaining plants for various cutting tools is not correct, because in addition to SW7M steel, the uneconomical SW18 steel was used, yet both grades of steel are regarded as being universal. For example, one of the largest domestic producers of lathe tools consumed 370 tons of SW18 steel annually, which was 84 percent of the total high-speed steel consumption in that plant. This is attributed to tradition and the fact that this steel, as distinct from the newer and more economical steels, does not require strict adherence to tempering and hardening parameters since it is not very sensitive to heat treating mistakes. SW18 is also insensitive to grinding errors. Such a large consumption of SW18 steel indicates that it is priced low in comparison to other grades, since replacing it with SW12C would make it possible to produce almost 30 percent more tools of comparable or higher hardness, with idential consumption of imported tungsten. But this also means that heat treating parameters would have to be improved by the tool producers and that the conditions and methods by which cutting edges are ground by users of the tools would have to be drastically changed. The decisions recently issued by the minister of materials management concerning the reduction of SW18 steel consumption may change this situation.

On the other hand, consumption of cobalt steels is low. In this country these steels are replaced mainly by SW7M and SW18. But world trends indicate that to reduce the consumption of expensive steels which contain cobalt, an element in short supply, steels containing large amounts of vanadium and carbon are being widely used. A small amount of sulfur is added to these steels to improve their grindability. In this country, SW12C steel, which has a chemical composition commensurate with this concept, is used to some degree, but other grades are not produced at all. Nor are steels containing larger amounts of sulfur produced, with the exception of SW7M of which only an experimental batch has been made. Production of steels containing higher amounts of vanadium under our conditions is very difficult, if only because there is a shortage of grinding and abrasive materials in the quantities and of the properties required to machine these steels.

The tendency to use SW2M5 for drills is a good one. These tools can be used successfully for jobs where there are light and medium loads. Similarly, SW3S2 may show satisfactory properties in some applications. Also, NW9 steel may be used as a substitute for high-speed steel, especially in the case of some tools for machining wood, plastics, and even soft carbon steels. But it is disturbing that despite the almost constant shortage of alloying elements, mainly Mo and W, outside of SW3S2 no substitute steels are being produced which would make it possible to reduce the consumption of Mo and W without lowering the functional properties of the tools on which wide-scale studies are being conducted throughout the world (7-9).

For all practical purposes, high-speed steels melted by the electroslag or vacuum methods are not used in this country, although these technologies should help to increase the life and productiveness of tools by several percent (10-14).

Table 2. Types of Cutting Tools Produced by Plants Polled

(1) Rodzaj narzędzi	(2) Łączna produkcja narzędzi skrawających w ankietowanych zakładach w latach							
	1979		1980		1981		(3) I półrocze 1982	
	tys. sztuk (4)	udział masowy (5)%	tys. sztuk (4)	udział masowy (5) %	tys. sztuk (4)	udział masowy (5)%	tys. sztuk (4)	udział masowy (5) %
(6) Noże tokarskie	3 823,0	25	3 307,0	23.7	3 079,3	24.2	1 012.4	23.9
(7) Wiertła	40 383,1	20	40 237.8	20,9	39 893.5	21,5	20 162,8	22
(8) Narzynki	1 839,1	18.5	1 726.0	17,6	1487.0	17	895.3	19,3
(9) Frezy	1 156,4	11,8	1 246,9	12.2	1 201,6	12,0	665,8	9,2
(10) Gwintowniki	6 000,9	9.6	5 481,6	10,6	5 000.6	10	3 453,2	10
(11) Przeciągacze	30,2	3.8	30,8	3.9	29.0	4,2	12.3	3,9
(12) Rozwiertaki	407,2	3.3	453.0	3,3	410.5	2.9	261.9	3.9
(13) Narzędzia do obróbki kół zębatych	224.1	2.6	142,1	2.9	132.7	2,8	74,0	2,7
(14) Piły taśmowe	1 227,4	2,5	1 134.3	2,6	1 205.1	2,8	636,2	2,7
(15) Noże dłutownicze i strugarskie	29.9	0.63	26,8	0.56	26,3	0,60	14,3	0.69
(16) Noże do głowic frezarskich	21,4	0.37	24.5	0,3	20,3	0.14	9.7	0.13
(17) Pogłębiacze	25,0	0,2	27,1	0.2	52,2	0.27	34.5	0.38
(18) Segmenty i płyty tnące	1,2	0.2	1,2	0.1	1,2	0.18	0,6	0.2
(19) Przepychacze	21.6	0.1	16.1	0.06	14.9	0.08	8.1	0.1
(20) Płytki do wierteł piórkowych	1,9	0.03	1,9	0,05	1,7	0.04	0.7	0.04
(21) Rolki do gwintów	0,8	0.01	1,5	0,02	1,9	0.04	0,6	0.03
(22) Narzędzia do obróbki plastycznej	1.7	0,006	3,3	0,01	3.2	0.01	1,0	0.01
(23) Inne	2 803.9	0.9	2 318.6	0.87	1 836.7	1.0	1 539,7	0.6

Table 3. Types of Cutting Tools Purchased by Plants Polled

(1) Rodzaj narzędzi	(2) Łącznie narzędzia skrawające zakupywane przez ankietowane zakłady w latach							
	1979		1980		1981		(3) I półrocze 1982	
	tys. szt. (4)	udział masowy (5) %	tys. szt. (4)	udział masowy (5)%	tys. szt. (4)	udział masowy (5)%	tys. szt. (4)	udział masowy (5) %
(6) Wiertła	3001,3	46	2539,2	43	2528.6	45	1324,2	40
(7) Noże tokarskie	374,1	20	329,0	22	302,9	18	166,2	21
(8) Frezy	442,6	13	395.9	14	389.0	15	215.9	16
(9) Gwintowniki	508,3	8	497,5	9	470,5	9	243,8	9,5
(10) Rozwiertaki	130,7	3,8	125.8	3,5	127,5	4,2	67,4	3,5
(11) Narzynki	119,1	1,9	129.3	2	120,5	2.4	67.4	2,5
(12) Narzędzia do obróbki kół zębatych	5,7	1,4	7,7	1.8	6,8	1,7	3,2	1.7
(13) Przeciągacze	2,9	1.3	3,5	1.9	2,8	1.6	1.6	1.8
(14) Nawiertaki	69,7	0.7	64.3	0.7	58,7	0,6	32,8	0.7
(15) Noże dłutownicze i strugarskie	3,4	0,3	3.6	0.4	4,0	0,4	1.7	0,6
(16) Inne	58,9	1,6	54.8	1.88	57,0	2,1	41,0	2,2

[Key to both tables on following page]

Key for Table 2:
1. Types of tools
2. Total production of cutting tools in plants polled during years shown
3. First half of 1982
4. In thousands
5. Percentage of total
6. Lathe tools
7. Drills
8. Threading dies
9. Milling cutters
10. Screw-taps
11. Pull broaches
12. Reamers
13. Gear-cutters
14. Band saws
15. Slotters and planers
16. Milling cutters
17. Counterbores
18. Cutting plates and pads
19. Push broaches
20. Plates for flat drills
21. Thread rollers
22. Plastic-working tools
23. Others

Key for Table 3:
1. Types of tools
2. Total number of cutting tools purchased by plants polled during years shown
3. First half of 1982
4. In thousands
5. Percentage of total
6. Drills
7. Lathe tools
8. Milling cutters
9. Screw-taps
10. Reamers
11. Threading dies
12. Gear-cutters
13. Pull broaches
14. Spotting drills
15. Slotters and planers
16. Others

Use of nonfurnace refining methods may bring about a reduction in the consumption scarce alloying elements and may lower tool production, although the unit costs of the tools may be correspondingly increased.

Sintered high-speed steels, which are particularly good in the case of large-dimension tools (15-19), are not used at all in this country, which, in view of our limited ability to import, is understandable.

Poll results have shown that the quality of metallurgical intermediate products made from high-speed steels in our country is not satisfactory. In particular, attention is generally called to the extreme carbon segregation in rods larger than 30 mm in diameter, and even larger than 30 mm in diameter, and primarily in forged rollers. Attention is called to skin decarburization and checking and differentiation of chemical composition in cross-sections of bars, errors in marking, and also the ovality and dimensional inconformance of bars with with standard requirements and technical conditions. It is stated furthermore that steels are supplied without certificates of conformance to metallurgical standards, even to customers who order several hundred tons of these steels each year. Most of the plants which purchase high-speed steels do not make a quality inspection of the intermediate products and tools produced because they are not able to do so. Attention is also called to the fact that the dimensional assortment of bars made from high-speed steels is not large enough and that the purchasers of small quantities complain that they are not able to purchase the desired grades in the small amounts required.

3. Assessment of Heat Treatment and Thermochemical Treatment of Domestically Produced High-Speed Steel Tools

Of the plants polled, 98 do their own heat treating while 13 make use of coproduction services. In 1981 these plants produced tools for which 4,780 tons of high-speed steels were consumed. It was determined that in almost all of the plants, not excluding the largest manufacturers of trade tools, the heat treating method employed was not correct or not fully correct.

The first preheating of approximately 63 percent of the tools, and the second preheating of approximately 29 percent of the tools (Table 4) is done in chamber furnaces, which causes oxidation and decarburization of the surface layer of the tools and can cause an unfavorable primary austenite grain growth.

A decided majority of the plants use salt bath furnaces to austenitize tools, which prevents decarburization and oxidation. But about 0.3 percent of the high-speed steel tools are still being austenitized in chamber furnaces in air atmosphere (Table 4), which causes intensive oxidation and decarburization. Thus about 15 tons of high-speed steels heat treated under these conditions are practically destroyed each year, and the tools manufactured in this way are good only for scrap. Furthermore, about 47 percent of the tools are treated in salt baths whose temperature is measured and regulated with optical pyrometers (Table 4). Because of the large errors in regulating the temperature by the use of this device (plus or minus 10 degrees C), the mechanical and functional properties of the tools are low after the heat treatment is completed. The improper temperature-regulating method may also be the cause of pitting, which the tool producers often ascribe to extreme carbon segregation in metallurgical semifinished products. Plants which produce about 1.5 percent of the tools are equipped with vacuum furnaces in addition to batteries of salt bath furnaces. The vacuum furnaces are used to treat precision tools and tools for which high-reliability standards are set (Table 4).

Approximately 20 percent of the tools are cooled directly from austenitizing temperature in air or oil (Table 4). Because of the very rapid cooling rate and the large thermal stresses which this produces (added to structural stresses), the tools may become distorted and hardening cracks may appear. The producers often blame this on defects in semifinished products. These cooling methods also cause surface oxidation. Approximately 80 percent of the tools are cooled in salt baths (Table 4), which makes it possible to avoid extreme thermal stresses and surface oxidation, and ensures that the steel in hardened state will have the desired structure.

Over 90 percent of the tools are tempered in chamber or soaking furnaces in air atmosphere (Table 4. Considering that only a small number of furnaces of this type have forced air circulation, which ensures equal temperature distribution in the heating area, it must be assumed that most of the tools are tempered at the wrong temperature because of its unequal distribution. Because the temperature in different parts of the heating area of the furnaces may fluctuate by even plus or minus 20 degrees C in relation to the set temperature, a large part of the charge may be tempered at the wrong temperature. Tempering under these conditions, therefore, worsens the functional properties of the

Table 4. Conditions of Heat Treatment and Thermochemical Treatment of High-Speed Steel Tools in Plants Polled (Data Covers 1981 Production)

Total amount of tools manufactured in 1981, in tons	4,782
Share of tools for which heat treatment included (1) preheating in chamber furnaces in air atmosphere, in percent	63.3
Share of tools for which heat treatment included (2) preheating in chamber furnaces in air atmosphere, in percent	29.3
Share of tools austenitized in chamber furnaces in air atmosphere, in percent	0.28
Share of tools cooled in oil or air, in percent	20.3
Share of tools tempered in chamber furnaces in air atmosphere, in percent	90.2
Share of tools heat treated in plants which did not have batteries or groups of machines to treat high-speed steels, in percent	6.8
Share of tools austenitized in a salt bath whose temperature was regulated by means of an optical pyrometer, in percent	46.4
Share of tools treated in plants which were able to conduct thermochemical treatment, in percent	43.4
Share of tools heat treated in plants which did not have metallography laboratories, in percent	1.45

tools and also oxidizes their surface. This makes it impossible to use thermochemical treatment without previously removing the oxidized and decarburized surface layer of the tool cutting edge by grinding it.

Considering the technical capabilities of the plants it can be estimated that approximately 45 percent of the tools may be thermochemically treated after having been heat treated (Table 4), mainly be gas nitriding, oxynitriding, selective nitriding, or passivation. Only a small amount of the tools are thermochemically treated, even in the large trade tool production plants, despite the fact that it has been determined that the life of tools which have been nitrided or subjected to similar processes is thereby increased from 20 to 24 percent. This applies especially to tools which operate on the tool flank but are sharpened on the friction surface, and small tools intended for one-time use without sharpening.

It was found that about 7 percent of the tools are heat treated in plants which do not have machine groups, batteries or production lines for this purpose (Table 4). In plants which produce about 1.5 percent of the tools there is no way of verifying the correctness of the heat treatment conducted (Table 4), if only by hardness measurement or metallography.

Most plants which use small amounts of high-speed steels, i.e., from a few kilograms to a few tons, do not have facilities to produce tools. Mistakes in heat treating are also made in large tool manufacturing plants. Considering that this lowers the functional properties of the tools, speedy action should be taken to institute correct heat treating procedures in these plants.

4. Summary and Conclusions

Data obtained from the literature, information collected from manufacturers and users of high-speed steel tools, and results of our own research, all point to the fact that the consumption of domestically produced grades of high-speed steels must be improved and that grades with a chemical composition which ensures more economical choice of alloying elements and with higher or comparable functional properties than the grades now being produced, must be introduced. In particular, the use of SW18 steel, which has a very high and not fully utilized W content, must be reduced without fail. The consumption of SW7M steel, which up to now has been regarded as a universal grade for all tools operating under various conditions of treatment of all kinds of materials, must be reduced. On the other hand, it is advisable to increase the consumption of SW12C steel and others with a low Mo and W content, with a reasonably selected carbon content. To reduce the consumption of Mo and W, new grades of steel should be introduced, in which these alloying elements are partially replaced by Si, while at the same time the C, N and S contents are increased, and Cr is partially replaced by Mn. For tools which operate under easy conditions, SW2M5, SW3S2 and other steels which have a low alloy content should be used. Despite the shortage of Co, it seems essential to increase the consumption of cobalt steels but only for special tools which must operate under the most difficult conditions. To make the consumption of this alloy more efficient, steel containing higher amounts of vanadium and sulfur should be developed and produced. Undoubtedly the consumption of particular groups of high-speed steels is affected by the price structure, which is incorrect and should be corrected as quickly as possible.

To improve the production of metallurgical semifinished products from the steels being discussed, definite action should be taken to reduce the excessive and unequal segregation of carbides and eliminate the metallurgical defects such as porosities, blowholes, cold shuts and overlaps, as well as surface decarburization and oxidation. To improve the functional qualities of the tools, particularly the large-size ones, nonfurnace methods of refining steel should be widely employed, mainly electroslag melting. The forming of tools by plastic working should be introduced on a large scale, and the dimensional assortment of semifinished products should be enlarged. The work that has been carried on without success for 15 years--a method for objectively evaluating carbide segregation in semifinished products--must be immediately completed. This must be done on the basis of quantitative metallography and computer examinations. The metallurgical plants should, following the example of foreign firms, supply their customers with quality certificates which contain, in addition to the chemical composition of the steel, results of tempering and quenching tests on high-speed steels, from every melt.

The consumption of high-speed steel can also be greatly reduced by constructing tools in the right way, i.e., by manufacturing, on a larger scale than heretofore, connecting tools by integrated methods. Production of bimetal materials and tools should be introduced as rapidly as possible, the core of which is made of construction or carbon and low-alloy tool steels, while the blade is made of high-speed steel. This applies also to band and circular saws.

Heat treatment has a dominating effect on tool life, and heat treating can be done properly by using the appropriate heating and controlling equipment. It is essential that the large manufacturers of high-speed tools be supplied the equipment which would prevent surface oxidation and decarburization, and measurement-control apparatus which uses thermocouples and not optical pyrometers. Production of tools in plants which lack the required equipment must be discontinued. Central tool heat-treating departments should be set up, coproduction activity in this area should be increased, and highly skilled work crews should be provided. It is also essential that a catalog should be prepared which would show characteristics of the steels and conditions for heat treating tools, taking their dimensions into account.

There is an urgent need to popularize thermochemical treatment and other methods for treating tool surface mainly nitriding and allied technologies, particularly for tools operating on the tool flank but sharpened on the friction surface, and for small tools intended for one-time use. This particularly applies to large manufacturers of trade tools, since thus far even the equipment now installed for this purpose is being used only partially.

In view of the shortage of the materials required to sharpen tools, production of carborundum grinding disks, and those with diamond and boron nitride, must be increased. The use of corundum grinding disks should be reduced, especially for sharpening tools from high-speed steels containing high amounts of C, Co, and V. Conditions for grinding tools from different grades of steels should be developed, and suitably equipped stations for sharpening tools should be set up in the plants.

To reduce the consumption of imported alloying ingredients, it is essential that there be proper management of scrap, both by manufacturers and by users of tools.

Examination of the data obtained from manufacturers of high-speed steel tools and from their customers indicates that the level of engineering know-how differs in various plants. The professional skills of the workforces must be continually improved and work organization must be perfected. This can be done through vocational training courses for the laborers and blue-collar workers, through postgraduate and updating courses for the technical-engineering personnel, and through application of scientific achievements in the industrial plants.

BIBLIOGRAPHY

1. Haufe, W., "Schnellarbeitsstahle," Munich, Carl Hanser Verlag, 1972.

2. Gieller, J.A., "Instrumientalnyje Stali," Moscow, MIETALLURGIJA, 1983.

3. Zmihorski, E., "Tool Steels and Heat Treatment of Tools," WNT, Warsaw, 1976.

4. Dobrzanski, L., Hajduczek, E., Marciniak, J., and Nowosielski, R., "Heat Treatment of Tool Materials," Silesia-Gliwice Polytechnic, Lecture No 1150, 1983.

5. Adamczyk, J., Dobrzanski, L., and Hajduczek, E., "Status Report on the Research, Production and Use of High-Speed Steels," Scientific-Research Report, Metallurgical Institute Library, Silesia-Gliwice Polytechnic, 1983 (unpublished manuscript).

6. Wusatowski, R., "Tool Steels," preliminary research paper (problem 02.1--U7-02-00), IMZ, Gliwice, 1983.

7. Haberling, E. and Weigand, H.H., TEW Techn Ber, No 5, p 109, 1979.

8. Bennecke, R., and Weigand, H.H., TEW Ber, No 7, p 107, 1981.

9. Met Bull Monthly, No 8, p 45, 1982.

10. Kirk, F.A., Child, H.C., Lowe, E.M., and Wilkins, T.J., "Materials for Metal Cutting," ISI Publ 126, 67, London, 1970.

11. Schlatter, R., IRON STEEL INTERN, V 47, p 197, 1974.

12. Kirk, F., STEEL TIMES, V 197, pp 35, 83, 1969.

13. Stofec, R., STAHL UND EISEN, V 89, p 889, 1969.

14. Fiedler, H. and Eckstein, H.J., NEUE HUTTE, 13, p 268, 1968.

15. Helman, P., paper delivered 6 Jan 1976 at CENTROSTAL Foreign Trade Agency meeting in Katowice.

16. Persson, G., POWDERED METALS, No 1, p 12, 1972.

17. Arai, T., and Komatsu, N., JISI, V 61, p 277, Japan, 1975.

18. Levin, T., and Hervey, R.P., METALS PROGRESS, V 115, p 31, 1979.

19. Bryjak, E., MECHANIK, No 4, p 196, 1974.

20. Koester, K.. TEW Techn Ber, No 7, p 139, 1981.

21. Edenhofer, B., Mat II Symposium, "Ionization Nitriding," Krakow, 1975.

22. Rogalski, Z., MECHANIK, No 9, p 479, 1971.

23. Keller, K., HART TECHN MITT, No 2, p 120, 1971.

24. Doepcke, H., WZF, V 71, p 273, 1981.

9295
CSO: 2602/8

FIGURES ON OUTPUT OF POLYMER PLASTIC MATERIALS, PRODUCTS

Warsaw POLIMERY in Polish No 6, 1985 pp 243-244

[Excerpts] Table 2. Annual Production of Basic Raw Materials and Chemical Intermediate Products Used in the Production of Plastics During 1982-1984 (Including Petroleum and Sulfur)

(1) Artykul	1982	1983	XII '84	1984
(2) Aceton	.	23 320	2 040	22 030
(3) Acetylen z półspalania	24 628	29 179	2 671	28 148
(4) z wytwornic	10 801	15 130	1 426	15 947
(5) Akrylonitryl	9 553	13 076	1 194	13 367
(6) Benzen	216 788	234 356	22 925	239 512
(7) Bezwodnik ftalowy	31 630	30 711	3 321	32 410
(8) Butadien	54 081	72 461	8 360	74 278
(9) Chlor	53 047	321 046	28 164	336 598
(10) Cykloheksanon	.	26 910	2 060	23 679
(11) Etylen	13 449	198 009	23 119	255 968
(12) Fenol	2 153	69 920	6 921	70 312
(13) Ftalan butylu	8 910	10 634	808	9 625
(14) Ftalan oktylu	23 127	29 602	3 000	32 386
(15) Kaprolaktam	76 052	89 058	7 581	87 142
(16) Karbid	196 769	473 456	43 746	500 659
(17) Melamina	11 386	14 418	198	14 114
(18) Propylen	4 173	107 424	10 586	120 797
(19) Ropa naftowa	2 427 826	13 638 056	1 262 769	13 641 654
(20) Sadza aktywna	24 244	23 419	2 139	25 036
(21) Siarka	4 896 494	4 957 152	370 247	4 987 915

SOURCE: ETOCHEM statistics.

Key:
1. Item
2. Acetone
3. Acetyline from semicombustion
4. Acetyline from generators
5. Acrylonitrile
6. Benzene
7. Phthalic anhydride
8. Butadiene
9. Chlorine
10. Cyclohexanone
11. Ethylene
12. Phenol
13. Butyl phthalate
14. Octyl phthalate
15. Caprolactam
16. Carbide
17. Melamine
18. Propylene
19. Petroleum
20. Hard carbon black
21. Sulfur

Table 3. Annual Production of Polymers and Copolymers During 1982-1984

(1) Tworzywo	1982	1983	XII '84	1984	(2) Zmiana 84/'83, %
(3) Aminoplasty	1 842	18 731	1 741	20 305	+ 8,5
(4) Fenoplasty	2 723	33 012	2 823	33 556	+ 1,7
(5) Octan celulozy	20	25	3	26	+ 4,0
(6) Poliakrylany 1)	2 537	3 532	273	3 598	+ 1.7
(7) Poli(chlorek winylu)	16 730	106 236	10 529	128 226	+20,5
(8) Kopolimery VC 2)	3 380	3 283	234	3 499	+ 6,6
(9) Polietylen	16 516	129 407	11 166	140 571	+ 8,7
(10) Poliestry (razem)	(6 726)	(10 972)	(1 518)	(16 191)	(+48,0)
(11) techniczne	6 441	6 631	1 232	11 006	+66,0
(12) lakiernicze	285	3 818	269	4 470	+17,0
(13) galanteryjne	·	473	17	655	+38,5
(14) Polipropylen	52 632	57 173	2 705	63 904	+11,9
(15) Polistyren	27 516	28 688	2 982	33 013	+ 5,0
(16) Styropian	9 033	7 820	886	12 270	+57,0
(17) Poliuretany	18 122	24 555	2 824	27 084	+10,3
(18) Silikony	482	638	94	754	+18,2
(19) Winacet (w masie)	16 234	19 136	1 555	21 518	+12,3
(20) Winicet	3 368	3 283	233	3 498	+ 6,6
(21) Żywice epoksydowe	10 137	8 330	765	8 216	— 1,3

SOURCE: ETOCHEM statistics

Key:

1. Material
2. Percentage of change 1984-1983
3. Amino resins
4. Polyacrylates and methyl polymethacrylate esters
5. Phenolics
6. Cellulose octane
7. Polyvinyl chloride
8. Vinyl chloride copolymers
9. Polyethylene
10. Polyesters (all)
11. Technical polyesters
12. Lacquer polyesters
13. Garment polyesters
14. Polypropylene
15. Polystyrene
16. Styrofoam
17. Polyurethanes
18. Silicones
19. Vinaset (in bulk)
20. Viniset
21. Epoxy resins

Table 4. Annual Production of Basic Multi-Molecular Materials in 1984.

(1) Materiał	1982	1983	XII '84	1984	(2) Zmiana '84/'83, %
(3) Jonity	752	494	76	636	+29,0
(4) Kauczuki + lateksy	99 864	119 728	10 608	119 390	— 0,3
(5) Kleje mocznikowe	118 363	181 424	16 923	190 447	+ 5,0
(6) Tworzywa sztuczne	228 000	522 222	45 989	589 087	+12,7
(7) Włókna chemiczne	90 113	232 058	20 226	238 337	+ 2,7
(8) w tym: celulozowe	26 606	70 219	6 269	73 069	+ 4,0
(9) syntetyczne	63 512	157 048	13 600	160 251	+ 2,0
(10) Wyroby lakierowe	95 025	296 177	23 899	339 798	+14,7

SOURCE: ETOCHEM statistics

Key:

1. Material
2. Percentage of change 1984-1983
3. Ionites
4. Rubber and latex
5. Urea adhesives
6. Plastics
7. Chemical fibers
8. Cellulose fibers
9. Synthetic fibers
10. Lacquer products

9295
CSO: 2602/8

SCIENCE AND TECHNOLOGY POLAND

BIOTECHNOLOGY RESEARCH PROJECTS AT MICKIEWICZ UNIVERSITY

Gliwice CHEMIK in Polish No 9, Sep 85 pp 223-226

[Article by Prof. Florian Domka and Dr. Miroslaw Szulczynski, Department of Chemistry, A. Mickiewicz University, Poznan: "Some Aspects of Research in the Field of Biotechnology in the Division of Kinetics and Catalysis, Department of Chemistry, A. Mickiewicz University, Poznan"]

[Excerpts] INTRODUCTION: In the Division of Kinetics and Catalysis of the Department of Chemistry, UAM, Poznan, in addition to research in the field of heterogeneous and microheterogeneous catalysis, there is another mainstream of research that encompasses chemical processes in which the catalyzers are enzymes and their carrier very frequently is cell material. This other research area is included in so-called biotechnology, which was earlier called biochemical engineering. Generally speaking, this is field in which operations and chemical changes are carried out, wholly or in part, through the activity of living organisms [1, 2, 3]. The year 1947 is recognized as the beginning of biotechnology as a separate scientific discipline; this was the year when Merck Chemical Company was awarded the McGraw-Hill prize for achievements in biochemical engineering. One of the first symposiums in this field took place during the Congress of the American Chemical Society in Atlantic City, September, 1949. Since that time, conferences and biotechnological symposiums have been ever more frequent. For example, the last, highly specialized Sixth Symposium on Biotechnology for Fuels and Chemicals took place in May, 1984 in the U.S.A.

In recent years, conversions and processes of biocatalysis are being used more and more often for synthesizing many useful products. We have only to name large concerns such as Coca Cola, Exxon, Shell, Texaco, General Electric and others that support and constantly expand their own biotechnological laboratories and finance research in other scientific centers working with biotechnology.

The significance of biotechnology as a science at the border between biology and technology may be greater in the future than the significance of electronics and other related fields since it may be the way to obtain a whole series of products essential to human life. What is most important is skill in exploiting microorganisms for the production not only o antibiotics and pharmaceuticals, but also for purifying effluents, producing protein, fertilizing soils, etc. The amount of research and number of biotechnological papers is already so large that Current Biotechnology Abstracts (published by the Royal Society of Chemistry, England), which appeared recently, facilitates gathering specialized literature. It is worth noting here that many periodicals appear every year that are devoted to problems of biotechnology. Recently, for example, the periodical, "Enzyme and Microbiol Technology," appeared in Great Britain. All of this points to the dynamic development of this scientific discipline.

In Poland, only during the last year, the Biotechnology Section was formed in the Committee of Biochemistry and Biophysics of the Polish Academy of Sciences; this section works on coordinating and establishing priorities for research problems in the immediate future. It is at the same time a consultative body.

The international conference on the chemistry of natural products was a special occasion for popularizing current trends in world biotechnology; this conference was organized in Poland in July, 1985, under the auspices of IUPAC. On this occasion, it would be worth mentioning that the factor that limits broad aplication of biotechnological processes is primarily the lack of adequately developed optimum technology and very frequently the inaccessibility of sources of structural carbon that is the source of energy for the process of microorganism reproduction. At first it was believed that the most suitable source of available carbon would be derivatives of petroleum or simply crude oil. The last energy crisis made us pay more attention to exploiting other sources of carbon. It seems that the future of biotechnology will be linked with managing compounds contained in wood. For this reason, in many countries (U.S.A., Sweden and others), intensive research is being done on obtaining special varieties of deciduous trees (poplars) with rapid accumulation of mass. Moreover, modern biotechnological laboratories require not only various kinds of apparatus, but, most of all, specialists who are well trained in various fields. Usually small laboratories are not in a position to conduct broad and complex research, but they can contribute much by doing unit research optimal for technology.

In this paper, we want to present certain problems from the field of biotechnology that were studied in the last 15 years in the Division of Kinetics and Catalysis by a small group of investigators working on processes of denitrification, catabolism reduction of sulfates, utilization of cellulose discards, and synthesis of various biochemical preparations.

CONCLUSION: Finally, we are conducting research on cellulose discards. In this area, we are cooperating with the University of Georgia, which has a strong center for biotechnological research. Work that we are doing jointly pertains mainly to utilization of cellulose discards in microbiology. An interesting problem is isolating pure strains of bacteria capable of decomposing cellulose and starches and producing ethanol as a final product under thermophilic conditions (usually a temperature of 55-65°C). Ethanol produced under these conditions can be easily distilled at a lower pressure.

Oher problems that are the subject of our research that might be mentioned are enzyme technologies for producing valuable preparations that are now being imported from capitalist countries. Recently initiated research has already brought certain measures of success. As an example, we might mention at least the wholly mastered technology of producing glucoso-1-phosphate; for this production, we use our own substrates exclusively. The capacity of our facility exceeds by a 1000 times the national demand. Similarly, we got encouraging results with preparatory purification of many enzyme proteins. At the present time, for example, we can produce large quantities of acetate kinase of various degrees of purity.

From this brief overview of research being done in our center, the importance of the role of biotechnology in the present and in the future becomes obvious. By exploiting microbiological processes, we will be able to synthesize many valuable pharmaceuticals (for example, anticancer interferon), effectively purify industrial and agricultural effluents, produce protein from discard materials, recover valuable metals from poor deposits, produce the hydrogen fuel of the future, and deal effectively with pests (microbiocides). Moreover, microorganisms are valuable material for studying the conversion of matter. Biotechnology can then help people in solving many of the problems of tomorrow, particularly in saving people and nature from annihilation.

2950
CSO: 2602/15

RESEARCH ON DOMESTICALLY REFINED ROLLING MILL LUBRICANT

Krakow NAFTA in Polish No 6, Jun 85 pp 211-214

[Article by Wladyslawa Grabowska and Wieslawa Tomerska, Institute of Oil Technology, Krakow: "Polish Oil for Silicon Steel Sheet Rolling"]

[Experpts] The foregoing short description of the types of silicon steels, their behavior in plastic processing and the resulting requirements for rolling lubricants, as well as earlier studies and published data on other rolling oils, have suggested the approach to the development of domestic oil for cold rolling of silicon steels. The study was undertaken late in 1981 and early in 1982 at the Institute of Oil Technology in cooperation with the Lenin Metal Works. It was determined that the emulsifying oil for silicon steel sheet rolling was to contain:

--refined mineral oil with a viscosity of about 90;

--a set of nonionic-ionic emulsifiers and

--lubricant additives of polarized and EP types.

EP additives have not been previously used in Polish emulsifying rolling mill oils. The lubricant for silicon steel sheet rolling was to become the first product to contain the additive of this kind. It was assumed that it would be a sulfuric additive in view of the high efficacy of sulfur additives that has been repeatedly confirmed in difficult metal processing conditions.

The sulfur additives that are used include various chemical compounds with different degrees of activity, such as sulfides, polysulfides and thiocarbamides.

An investigation of the influence of the structure of sulfur compounds on their activity has established that [6]:

--even sulfur compounds of the same type have different properties;

--organic disulfides better improve the strength of boundary layers than the respective monosulfides;

--the activity of disulfides depends on the energy of disulfuric bonds and the sulfur-carbon bond energy;

Table 3. Comparison of the Properties of Polish Oil and Imported Oil for Cold Rolling of Silicon Steel Sheets

	EW-T2	Oil A	Oil B
Physicochemical characteristics:			
Viscosity at 50°C, mm^2/m	36.0	54.0	37.1
Saponification number, mg KOH/g	69.2	42.0	88.5
Acid number, mg KOH/g	12.7	3.0	12.8
Coke content, percent	0.39	0.74	1.17
Ash content, percent	0.21	0.27	0.44
Sulfur content, percent	0.73	-	0.26
Corrosive action on copper (100°C, 3 hours), assessed according to ASTM D 130	3a	3a	1b
Emulsifying capacity: presence of nonemulsified phase	absent	absent	absent
Emulsification ease	5	5	2
Stability factor	0.3	0.1	0.2
pH of emulsion:			
a) based on distilled water	8.9	9.4	9.0
b) based on water with hardness of 15°N	8.0	8.3	7.9
Lubrication characteristics:			
A. Tests of oil in four-ball unit: dent diameter, mm, at pressures:			
45.4 daN	-	-	0.30
61.7	0.35	-	1.80
78.4	1.35	0.40	2.08
98.0	1.55	2.05	2.15
123.5	1.65	2.22	2.46
156.8	2.15	2.45	Z
198.0	2.35	Z	
245.2	Z		
dent diameter, mm, after 1 hour at pressure of 39.2 daN	0.95	0.70	0.80
B. Test of 5 percent emulsion on distilled water in Timken chamber, pressure:			
2.22 daN	OK	OK	OK
3.99	OK	OK	OK
6.23	OK	SC	OK
8.80	SC	-	OK
11.12	-	-	SC
friction coefficient at pressure of 2.22 daN	0.110	0.156	0.115

--the longer the carbon chain, the weaker the activity of dialkyl disulfides, and

--at higher pressures sulfur in sulfur esters of fatty acids exerts a greater influence on the lubrication qualities than the presence of the ester group.

The activity of sulfur compounds is based on their reaction with the metal substrate that changes its physicochemical properties and thus modifies the friction conditions. Thin protective layers form on the metal surface, preventing the tearing of metal particles from the surface, and having a passivating action which reduces soiling of the metal sheet surface.

Sulfuric hydrocarbons and sulfuric fats are most commonly used in the metal processing lubricants. This type of additive is used as an additive in steel sheet rolling lubricants, especially since they are produced in Poland in the form of sulfuric mineral oil, sulfuric esters and glycerides of fatty acids.

Studies of the sulfatization of mineral and fatty oils indicated that sulfur in sulfuric mineral oil appears mainly in the form of sulfides and polysulfides whose ratios determine the lubrication properties of the oil. In fatty oils with esters of unsaturated fatty acids, sulfur is linked with unsaturated bonds creating sulfide and disulfide bridges [6].

These results explain the activity of the additives and their behavior in typical tests for the presence of active sulfur on a copper plate, which in test conditions (100°C, 3 hours) becomes darkened.

As a result of studies to determine the optimum quantity and type of lubricant additives and the quantities of individual emulsifiers to be introduced into the composition of the lubricant for silicon steel sheet rolling with the evaluation of the lubrication properties of oils in four-ball measurement equipment and of 5 percent emulsion of these oils in the Timken chamber, it was established that:

--the anionic emulsifier used in the tests such as ethanol amine salt of fatty acid has a favorable effect on the strength of the lubricant film, especially in the presence of sulfuric esters of fatty acids;

--the strength of the lubricant film of the emulsion made of the oil containing disulfide with an alkyl aromatic radical along with fatty oil is similar to the strength of the lubricant film made of oil containing sulfuric esters of fatty acids, but the friction coefficient is higher than for most emulsions made of oils containing only sulfuric fatty additives;

--the lubrication characteristics of the oils containing only a polar additive in tests in the four-ball unit were the same regardless of the content of the additive; similar results were obtained in studies of the lubrication properties of the emulsion in Timken chamber;

--the results of the tests of oil emulsions in the Timken chamber differentiate the oils in terms of lubrication quality better than studies in four-ball units, but in cases such as those mentioned above the results obtained in the Timken chamber can also lead to an incorrect conclusion.

Tables 1 and 2 present some of the test results illustrating the foregoing observations made during the course of development of lubricants for cold rolling of steel sheets.

As a result of studies at the Institute of Oil Technology in developing the production process of the lubricant for silicon steel rolling, three types of oils were selected for the initial tests in the production processes at the Lenin Metal Works [KMHiL]. The oils were denoted by the symbols EW-T/1, EW-T/2 and EW-T/3.

On the basis of the tests conducted at KMHiL, the oil EW-T/2 was accepted for industrial trial use.

Before introducing the oil EW-T/2, the KMHiL factory at Bochnia used imported oil for cold rolling of silicon steel sheets. Comparing the properties of the new domestic oil with those of imported oils used successfully by Bochnia division of KMHiL is interesting.

Table 3 presents the characteristics of domestic oil EW-T/2 from the experimental industrial batch used in 1982 in comparison with the properties of imported oils identified conventionally as oil A and oil B.

At the request of KMHiL, Bochnia Division, the Trzebinia Oil Refinery produced in Agust of 1982 30 tons of EW-T/2 oil that was used in experimental industrial operation. The tests confirmed that Polish oil can be used for cold rolling of silicon steel sheets.

BIBLIOGRAPHY

1. Grudev, A. P. and Tilik V. T., Technologicheskye smazki v prokatnom proizvodstve [Process lubricants for rolling production], Moscow, Metallurgiya, 1975.
2. Hirai, K., "Problems of Lubricant Technology for Cold Rolling" [Russian translation from periodical], SOSEJ TO KAKO, No 139, 1972.
3. Rost, R., "Recent Developments in the Field of Metal Working Oil," paper presented at the Fourth Congress, Section VI, Frankfurt, 1963.
4. Williams, R. C. and Brandt, R. K., "Experimental Evaluations of Cold Rolling Lubricants for Strip Steel," LUBRICATION ENGINEERING, 1964.
5. Piotrovskiy, A. A. "Properties of Industrial Lubricants for Cold Rolling of Carbon and Silicon Sheet Steel," BYULL. CHERMETINF., No 3, 1976.
6. Wachal, A., "The Activity of Sulfur Compounds and the Conditions of Boundary Friction," TRYBOLOGIA, No 3, 1980.

9922
CSO: 2602/11

NEW SILICON ALUMINUM ALLOY DEVELOPED

Warsaw AUTO TECHNIKA MOTORYZACYJNA in Polish No 5, May 85 p 21

[Article by Jan Nowak, MS (Eng), Small Car Research and Development Center, Bielsko-Biala: "A New Aluminum Alloy"]

[Text] A cooperative project by the Department of Light Metals of IMN in Skawinia, the Research and Development Center of Small Cars of the Compact Car Factory in Bielsko-Biala and the Laboratory of Light Metals at Kety have resulted in the creation of a new alloy of aluminum with silicon with improved heat resistivity. The project is not limited to theoretic or laboratory research. Since January of 1985, the Compact Car Factory has been using it instead of the previous alloy AK62 that was utilized mainly to produce engine heads. The new alloy, a silumin of the Al-Si-Cu group, containing Mg, Mn, Ti and Sr, is marked by improved strength characteristics, making the thermal treatment unnecessary, and stable temperatures during the course of engine operation. These features were achieved by increasing the quantity of Cu dissolved in the solution and by reinforcing the alloy through selection of individual ingredients leading to segregation of highly dispersed structural elements, such as Al_2Cu, Mg_2Si and $Al_{10}(Mn,Fe)_2Si$.

In order to obtain a smaller grain size, Ti was added in the same quantity as in AK62. A modification with strontium has also been used.

The mechanical properties of AK84M alloy tested at room temperature on specimens cut out of the engine head were as follows: $R_m = 196$ mPa, $R_e = 176$ mPa, $A_5(min) = 1.0\%$ and minimum hardness = 95 HB. These properties are approximately the same as with AK62 (but those specimens were cast specially for the testing). Therefore, they are better than the characteristics of AK62, especially since the hardness is much higher than 95 HB.

Better endurance properties of AK84M compared with AK62 are especially pronounced at high temperatures. This is important for the heads of air-cooled internal combustion engines. From analysis of the curves obtained it is clear that, up to the temperature of 200°C (the operation range of the engine of a Fiat 126p), the strength characteristics of the alloy are not lowered and actually even improve as a result of aging processes. The characteristics begin to deteriorate at temperatures above 200°C, with a pronounced shift towards high temperatures as compared with AK62. The alloy AK84M also has favorable casting properties, fluidity and moldability (for example, the fluidity of AK84M when using pure alloy from ingots is 20 percent higher than that of AK62). An additional improvement of the strength characteristics of AK84M can be obtained by intensive cooling of cast products after removal from the mold and application of thermal treatments.

The alloy AK84M will find applications primarily in the manufacture of machine parts subjected to heavy thermal and mechanical stresses. An important consideration is also the cost savings resulting from the possibility of eliminating the thermal treatment.

9922
CSO:2602/11

END

JPRS-EER-86-004

13 January 1986

East Europe Report

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS-EER-86-004

13 January 1986

EAST EUROPE REPORT

CONTENTS

AGRICULTURE

ROMANIA

Improved Sunflower Hybrids Realized
(Viorel Vranceanu Interview; AGRICULTURA SOCIALISTA, 3 Oct 85)........ 1

ECONOMY

HUNGARY

New General Income Tax Explained
(Maria Lakatos; MAGYAR HIRLAP, various dates)............ 4

Shortcomings of Reform, Too Much Private Enterprise
(Mihaly L. Kocsis; ELET ES IRODALOM, 18 Oct 85).......... 10

YUGOSLAVIA

Belgrade Economists Castigate System, Plan
(Ljubomir Madzar, et al. Interviews; EKONOMSKA POLITIKA, 4 Nov 85)........ 14

Retail Trade Suffering From Systemic Policies
(Editorial; EKONOMSKA POLITIKA, 4 Nov 85)................ 30

POLITICS

BULGARIA

Delegation Attends Japanese Party Congress
(RABOTNICHESKO DELO, 21 Nov 85; Sofia Domestic Service, 2 Dec 85).. 33

BCP Greetings 33
Delegation's Return 34

Kurdzhali BCP Secretary on Okrug's Progress
(Georgi Tanev; RABOTNICHESKO DELO, 16 Dec 85)............ 35

Zhivkov Receives New Ambassadors' Credentials
(BTA, 17 Dec 85)... 37

Reportage on Antonov Trial
(Various sources, various dates)......................... 38

Evidence on TIR Truck 38
BTA Reports on Trial 41
Evidence To Clear Antonov 44
Reports on Gen Musumeci 45
Bias of Trial Attacked, by Lyubomir Mikhaylov 46
Pandico, Matrone Testify 47
Anniversary of Antonov Arrest Noted 49
Antonov Trial Reported 50
Spasov Optimistic 53
Trial Continues 54
Rome Trial, Evidence on Bulgarian Truck 56
Press Comments on Antonov Trial 58
General Musumeci Interrogated 61
Judges Probe Pandico's Assertions 63
Defense Committee Comment 64
Defense Committee Issues Declaration 66
New Witnesses Questioned 66
Vasilev, Ayvazov Questioning Ends 67
Vasilev Questioning Continues 70
Vasilev Questioned Further 72
Journalist Denounces Rome Trial 74

Briefs

Bulgarian Official to Iraq 76
BCP Delegation Returns 76
Zhivkov Receives IOC Official 76
Dyulgerov-Led TU Delegation 76

CZECHOSLOVAKIA

Murin, USSR's Kapitsa Sign Cultural Agreement
(CTK, 3 Dec 85).. 77

PRC's Li Xiannian Receives Obzina
(CTK, 10 Dec 85).. 78

CSSR Minister Concludes Talks, Departs
(IRNA, 9 Dec 85).. 79

HUNGARY

Increase in Crimes Burdens Court System Beyond Capacity
(Gyorgy Acs; MAGYAR HIRLAP, 26 Nov 85).................. 80

YUGOSLAVIA

Pasic Critiques Recent Political Documents
(Najdan Pasic; POLITIKA, 16-18 Nov 85).................. 82

Pozderac Discusses Tasks of 13th Congress, Bureaucracy, Technocracy
(Hamdija Pozderac Interview; DANAS, 5 Nov 85)........... 94

SCIENCE AND TECHNOLOGY

ROMANIA

Expansion of Pharmaceutical Industry
(Elena Dumitrescu Interview; ROMANIA LIBERA, 23 Nov 85).. 102

YUGOSLAVIA

Scientific-Technical Cooperation With EEC
(PRIVREDNI PREGLED, 26 Nov 85).......................... 105

Countrywide Programs for Modernizing Transportation-Communications
(R. Krcunovic; PRIVREDNI PREGLED, 22 Nov 85)............ 107

SOCIOLOGY

CZECHOSLOVAKIA

Leisure Time Activities Examined
(Oldrich Svic; TVORBA, 20 Nov 85)....................... 110

AGRICULTURE

ROMANIA

IMPROVED SUNFLOWER HYBRIDS REALIZED

Bucharest AGRICULTURA SOCIALISTA in Romanian 3 Oct 85 p 4

[Interview with Dr. Docent Engr. Viorel Vranceanu, scientific director of the Fundulea Research Institute for Grain and Technical Crops, coordinator for the FAO sunflower research network, by Emilian Albulescu]

[Text] [Question] Your election as coordinator of the FAO sunflower research network attests to the outstanding results obtained by Romania in this area....

[Answer] It is well known that the network involved -- which in 1985 is 10 years old -- numbers 42 institutes in 34 countries of Europe and other continents. These institutes developed research of applied genetics, behavior of hybrids under different ecological conditions, use of wild species for evolving varieties that resist to adverse conditions and pathogenic agents, combating of diseases, pests and weeds, and so forth. These are areas in which Romania has obtained outstanding results, because of the excellent conditions ensured to research by the party and state leadership. Our institute has a powerful material base and highly qualified cadres, that enable us, while applying modern methods of genetic engineering and improvement, to skip seasons, to obtain two to three generations of crops a year, to multiply the future improvement material for the purpose of accelerated integration of new varieties in production.

[Question] What qualities should the new hybrids have?

[Answer] The sunflower improvement work conducted at the Fundulea Institute aimed at developing and promoting in cultivation better and better biological forms with the most favorable reaction to the conditions of climate and soil in different cultivation zones. The most recent creations include the simple hybrids Felix and Select and the trilinear hybrid Super, characterized by great production capacity (3800 kg/ha seeds with humidity of 11 percent, 4000 kg/ha and, respectively, 3900 kg/ha) and record oil content in seeds (55 percent, 54.5 percent and, respectively, 54 percent).

[Question] Please briefly characterize the three hybrids.

[Answer] Felix, specifically recommended for the plain in the west of the country and the western half of the Danube Plain, falls into the category of semi-late hybrids, with a vegetation period of about 131 days. The average height of the plants is 176 cm. The hybrid is sturdy and very resistant to drop. Deep roots also ensure higher resistance to drought. Their foliage is very rich, dark green, with a marked metalic gloss. The large capitulum is slightly convex and covered, as far as the center, with full seeds. The elongated, large seeds, with the mass of 1000 grains of 75-80 g, are black, very slightly striped. The hectoliter weight is superior to that of most hybrids, a fact that indicates greater resistance to shrivelling. Furthermore, Felix is totally resistant to the mildew onslaught and also displays superior resistance to brown spotting of the stem.

Select, recommended for the same zones as Felix is, but also for the eastern half of the Danube Plain, has a vegetation period of 127-130 days, the plant height is 10-15 cm shorter than that of Sorem-82, its rooting is strong, the stem is sturdy, and the leaves are dark green. The capitulum is large, convex and half slanting; the seeds, of medium size (the mass of 1000 grains is of 68-75 g) are black, slightly striped and have a hectoliter weight of more than 40 kg. The Select hybrid has a broad spectrum of resistance to the onslaught of major pathogenic agents of sunflower, such as mildew (total resistance), Sclerotinia sclerotiorum, Orobanche cumana and Phomopsis sp.

Super is the first trilinear sunflower hybrid integrated in cultivation in this country. Its fruition capacity is on a par with that of the most productive simple hybrids. The stem is flexible, very resistant to drop and breakage; the rich foliage is dark green; the slightly convex, half slanting capitulum is well covered with seeds and very resistant to shaking; the seeds, black-gray and slightly striped, are of medium size (the mass of 1000 grains is of 65-70 g) and the hectoliter weight is 38-41 kg. It is totally resistant to mildew and is more resistant than Sorem-82 to the onslaught of Sclerotinia sclerotiorum and Phomopsis sp.

[Question] What are the other advantages in the hybrids described?

[Answer] It should be stressed that they are produced easier than most of the sunflower hybrids currently grown, because their parental forms have a perfect coincidence in flowering, and hence this eliminates the need of staggered planting, consequently double passage of seeder on the same area. The tests with different densities conducted at our institute revealed another major feature of the new hybrids: they provided productions of seeds that were similar to those of the hybrid Sorem-82, for densities of 20,000 and 40,000 plants per hectare. However, in the case of 80,000 plants per hectare there were significant crop increases, especially because of the greater resistance to diseases, to drop and breakage of plants, and also because of a far higher percentage of of full seeds, especially in the central section of the capitulum.

[Question] How do you make these results internationally known?

[Answer] We publish in French and English an informative bulletin entitled "HELIA," through which we popularize the results in the network for the purpose of their dissemination. Our activity is aimed at assisting the developing countries in introducing and expanding sunflower growing, thereby contributing to the implementation of the Program for improving world nutrition, a program evolved and directed by the UN Food and Agriculture Organization -- FAO.

11710
CSO: 2700/44

NEW GENERAL INCOME TAX EXPLAINED

Budapest MAGYAR HIRLAP in Hungarian 21, 22, 23, 25, 26, 28 Nov 85

[Article by M.L. [Maria Lakatos]: "The New General Income Tax"; first paragraph is MAGYAR HIRLAP introduction]

[21 Nov 85 p 5]

[Text] A Single-Channel Tax

As we have already reported, the Council of Ministers has amended on 6 November the regulations governing general income tax. The statutory provisions will still be promulgated this month. We have already reported the more important changes (in the 11 and 12 November issues of MAGYAR HIRLAP) and will now attempt to explain them in the serialized article beginning today.

The changes will become effective as of 1 January 1986, which means that they will apply to 1986 incomes. Thus tax on 1985 incomes will still have to be paid according to the old regulations. Only two provisions will be introduced at a later date: First, effective 1 July 1986, the tax base of imported motor vehicles resold within five years will be 50 percent of the customs valuation (a 10-percent duty is levied on the transfer of such vehicles at present). Secondly, as of the same date, the tax-assessing offices attached to the local councils will take over the work of the partnerships for the allocation of collectively assessed general income tax.

The definition of taxable income is being broadened only in one respect: the already mentioned resale of imported motor vehicles will be subject to general income tax, instead of the present transfer duty. In any case, it will do no harm to repeat that the regulations governing general income tax apply to any income which is not liable to a retirement-fund contribution, unless the law specifically exempts the income from general income tax. To cite merely one example: we pay retirement-fund contributions on wages and salaries, and therefore such income is exempt from general income tax. Private merchants and artisans, the members of small businesses (on their shares of income), and self-employed intellectuals pay general income tax. Various copyright and inventor's royalties also belong here. However, more favorable tax treatment will continue to apply to household plots and ancillary farms.

With the abolition of KOFA (community development tax) as of 1 January, the new general income tax will become a single-channel tax. The changes have incorporated the abolished KOFA into the tax system as follows: Neither the tax rates nor the income brackets have changed up to an [annual] income of 80,000 forints; in other words, the total amount of tax paid will not increase at all. Indeed, less tax will be paid on income up to this limit, due to the abolition of KOFA. It will be remembered from the tax table published in an earlier issue that the previously single income bracket of 60,000 to 100,000 forints has been split into two separate brackets. The tax rate on income up to 80,000 forints remains unchanged; but the tax rate on income from 80,000 to 100,000 forints increases from 20 percent to 30, and there is an increase in the tax rate also for each of the subsequent income brackets. On incomes from 80,000 to 200,000 forints, in other words, KOFA has partially been built into the general income tax, but even so the amount of tax paid will be less on average than at present. Because of the higher tax rates for incomes exceeding 200,000 forints, however, the amount of tax to be paid will be more, in spite of the abolition of KOFA.

A brief comment may be useful at this point: the current KOFA rates have not been uniform either. Retailers and artisans have been paying 20 percent; the members of small businesses and self-employed intellectuals, 10 percent. But the new tax rates have been "tailored" to the higher KOFA rate. To prevent an increase for this reason in the amount of tax paid by the members of small businesses and self-employed intellectuals, they will be permitted to deduct more costs than at present. (Continued.)

[22 Nov 85 p 5]

[Text] Computation of Tax Base

In the first installment of our serialized article we explained that KOFA has been built into the new tax rates, and that the total amount of tax paid will be higher than at present in the case of incomes exceeding 200,000 forints. To compute the tax, however, it is not enough to know the income brackets and their corresponding tax rates. It is likewise not indifferent how one computes his tax base, i.e., the amount of his taxable income.

The new decree enables the members of small businesses and self-employed intellectuals, who up to now have been paying 10 percent KOFA, to deduct more expenses than previously. In other words, the tax rate is higher, but on the other hand the tax base is smaller, and thus the fact that KOFA has been built into general income tax is not detrimental to these taxpayers. (As we have noted, the present tax tables have been tailored to 20 percent KOFA.)

Up to now the members of small businesses have been able to deduct as personal expenses 5 percent of their share of the income (in other words, the tax base has been 95,000 forints, instead of 100,.000). This deduction has now been increased to 10 percent. At the same time, the manner of deducting the tax paid by a partnership has not changed. In other words, the members jointly first pay this tax after deducting the expenses, and then may divide the remainder among themselves. But the manner of computing the deduction has changed: 10 percent of TBK [partnership's gross income] may be deducted.

Self-employed intellectuals, too, may deduct more in expenses than previously. The state's role as a generous patron of the arts is being curtailed. For example, painters, sculptors and industrial artists are receiving fewer and fewer commissions from the state, and their diminishing incomes are alleviated at least partially by a reduction of their taxes. The peculiarities of the individual professions have also been taken into consideration in the rules on deducting expenses, and the tax base for authors, inventors or artists has been reduced by 30 to 60 percent. Up to now, for example, a writer with an annual income of 200,000 forints has been paying tax only on 80,000 forints, but from now on his tax base will be reduced to 50,000 forints. Another provision that falls within this circle is that henceforth royalties of less than 1000 forints will not be lumped together; in other words, they will not be included in the tax base. Not only the taxpayers will benefit from this exemption, but also the internal revenue service, mainly the local councils: they will be relieved of having to file and add up the vouchers for such relatively small items of income. (Continued)

[23 Nov 85 p 5]

[Text] Mode of Assessment

Two provisions to simplify procedures are perhaps the most significant changes in the regulations on general income tax. Under a system of self-assessment, small businesses calculate and pay their own taxes, and they are audited every other year. But the taxes of artisans and retailers have been determined up to now by their partnerships for the allocation of collectively assessed general income tax, on the basis of estimates, which has been a frequent source of disputes. As of 1 January 1986, however, artisans and retailers will be able to calculate and pay their taxes under the system of self-assessment, in the same way as small businesses are doing at present, provided that the artisans and retailers employ the same kind of bookkeeping system as the small businesses. In this case, it will not be possible to assess taxes on the basis of estimates.

According to the regulations, self-assessment, the aforementioned method of bookkeeping, and computation of the amount of tax "without any outside help" will be mandatory if the taxable income exceeds 500,000 forints, or if the turnover exceeds 2.0 million forints for an artisan or 8.0 million forints for a private merchant. The tax authorities will "merely" audit the tax returns.

If the turnover or income falls below the limits specified above, the artisan or retailer may elect to pay a lump-sum tax. (The payment of a lump-sum general income tax has been possible even up to now, but according to different rules, and permission to pay tax in this manner has been limited to one year.) Now the amount of the lump-sum tax will be determined for a period of three years, commensurately with the turnover and not the amount of income. The federations will set up voluntary committees, and the councils will establish offices for the assessment of general income tax. The committee and office concerned will determine jointly to which lump-sum tax class the individual artisan or retailer belongs. Eight turnover brackets have been set up for artisans; and another eight, for retailers. (For retailers, the brackets rise in increments of one million forints.) Three classes of lump-sum tax have been specified for each bracket, and it will be possible to choose from among the three. Such differentiation is warranted because a boutique and a grocery, each with an annual turnover of 2.0 million forints, will not earn the same amounts of profit.

The lump-sum tax has been determined as a fixed amount, rather than a tax rate. If the turnover remains for three years within the given bracket, it will not be possible to change retroactively the amount of tax owed. In other words, this gives the taxpayers more security. And if the increase in income is due to lower costs, for example, the artisan or retailer may retain the net profit in his business. But it is likewise true that the artisan or retailer who elects to pay a lump-sum tax will be contributing 15 to 20 percent more revenue for society's expenditures than if he were to figure his taxes in the traditional manner, which remains as the third option. In other words, artisans and retailers may continue to pay taxes on the basis of filed tax returns. (Continued)

[25 Nov 85 p 5]

[Text] Tax Concessions, Exemptions

In the installments so far we have explained who has to pay general income tax, how and why the tax rates have changed, and the new way of computing the tax base. Now let us examine the tax concessions.

Already the tax system now in force permits a reduction of the tax base in certain cases; and tax exemptions for social considerations, for example, are not unknown. Thus retired artisans, the partially disabled, etc. will be able to reduce their tax base from now on by 60,000 forints, instead of the 48,000 forints at present.

Up to now the councils concerned have been able to grant 50,000 forints' worth of tax concessions, for trade-policy considerations--in conjunction with the opening of new stores or shops in unsupplied areas--or to subsidize production. As of 1 January 1986, the limit for such tax concessions will be raised to 120,000 forints (and will apply to small businesses as well).

The concessions that serve to promote technological progress likewise make for larger tax-exempt incomes. The objectives are the same as those of the government's preferential programs: in other words, energy conservation, scrap utilization, health services, and inventions belong here. The statutes itemize by how much the tax base may be reduced. For example, 30 percent of the income from the output of an energy-efficient product is tax exempt. Another concession has been a tax credit of 3,000 forints per apprentice, which is being increased to 6,000 forints from now on. And the master is exempt from manpower tax if he continues to employ his one-time apprentice for three years after the latter completes his apprenticeship. (Otherwise the rate of the manpower tax is being reduced from 20 to 10 percent.)

As we have already mentioned in conjunction with small businesses, and with copyright and inventor's royalties, it will be possible to deduct more in expenses from now on. Artisans and retailers, too, will have more opportunity to do so. If they invested in their business already in the two years preceding its opening, or if they built up inventory or modernized a run-down business, they will be able to deduct all these expenses from their tax base.

Although we have explained only on a few major changes the new regulations on general income tax that will be effective as of 1 January 1986, it is perhaps evident already from this much that the idea of curbing legally recognized activities has not arisen at all. More tax will have to be paid on higher incomes, but the amount of tax may be reduced by new or increased tax concessions. The tax table will remain uniform. From this point of view, then, everyone's tax burden will be equal, but differences in charging expenses to costs will reflect the differentiation among economic activities.

Contrary to expectations, interest on savings deposits will remain exempt from general income tax; the taxation of income from paying guests, and of profit from the sale of real estate, will likewise remain unchanged. But only when the data for the first year will have been summarized and evaluated will it be possible to tell who has fared better, respectively worse. (Continued)

[26 Nov 85 p 5]

[Text] Examples

In the installments so far, we have discussed the principal changes. Now let us examine all this on a few examples.

As we have mentioned, taxpayers with relatively small incomes of less than 200,000 forints will be paying less tax. The tax bill of an artisan earning 90,000 forints a year will develop as follows:

Year	Income	Income tax	KOFA	Jointly
1985	90,000	9,600	1,920	11,520
1986	90,000	10,600	-	10,600

Taxpayers earning over 200,000 forints a year will be paying more tax than up to now. By how much more? Our examples compare the taxes, respectively, of artisans, members of small businesses, and writers, each earning 500,000 forints a year. In the case of artisans:

Income (before social security contribution)	500,000
Social security contribution	73,440
Tax base	426,560
Tax	215,520
Disposable income	211,040

In the following table, the computation of the tax paid by the member of a partnership takes into account the changes in the sequence of deductions.

Partnership's tax base per member	500,000
Partnership's tax	48,000
Income available for distribution	452,000
Social security contribution	73,440
10-percent deduction for personal expenses	37,856
Tax base	340,704
Tax	151,128
Disposable income	227,432

A writer earning 500,000 forints has to pay tax on 190,000 forints and is able to charge the rest to cost. The tax on 190,000 forints is 54,100 forints. But it is also true that the amount of disposable income cannot be determined exactly, because only estimates are available on the cost of producing the product and on the amount of time required to do so. (This much income may be the fruit of creative work over a period of several years.) (Continued)

[28 Nov 85 p 5]

[Text] Superauditors As of January

The functions of the internal revenue service will change as of next January, partially because it will consist of new organizations. The greatest change in this respect will be the establishment after 1 January of a corps of superauditors, attached to the Control and Auditing Main Administration of the Ministry of Finance.

As we have learned at the Ministry of Finance, the superauditors will not be auditing accounts and tax returns on the basis of information received from citizens. The superauditors' task will be to aid the staff members of economic law enforcement in various economic cases, and to uncover the abuses jointly with them. There is need for such cooperation. Consider the case of the Budapest Szivarvany Department Store, which clearly revealed the excellent "cooperation" between the state and the private sectors in the allocation of textiles. In such cases it is exceptionally important to obtain and examine all invoices and vouchers already at the start of the investigation. As a rule, tax fraud is eclipsed by the crime itself--such incomes usually go unreported--but the court takes the tax fraud into consideration as an aggravating circumstance.

Another function of the corps of superauditors will be to investigate the abuses that are uncovered by the control agencies but do not lend themselves to further analysis by conventional methods. The corps will not be attached to a single megye or city. Thus it will be able to investigate anywhere in Hungary and request assistance from the experts in economic law enforcement. To avoid misunderstanding, however, we wish to point out that the supereauditors will not have more authority than their colleagues. An appeal from the decisions of the corps may be filed with the Ministry of Finance, and not with the tax authority of the first instance. If a taxpayer is dissatisfied with the Finance Ministry's ruling on appeal, he may petition the finance minister for a review of his case. And if the taxpayer objects to the legal basis of his tax assessment--for example, if he feels that he is being taxed tens of thousands of forints unlawfully--he may go to court for legal remedy.

1014
CSO: 2500/106

SHORTCOMINGS OF REFORM, TOO MUCH PRIVATE ENTERPRISE

Budapest ELET ES IRODALOM in Hungarian 18 Oct 85 p 5

[Article by Mihaly L. Kocsis: "A Shortage of Reform or a Reform of Shortage?"]

[Text] I did not always agree with, but always understood, the opinion of Tamas Ungvari. But no matter how much I tried I failed to grasp his latest article, written as a commentary. What does he want to say, to whom, and why?

Well, no! I did succeed in decoding one or two of his messages. The insults, which are becoming indispensable in our literary debates, were precise if not nice. And it may be clear for everyone that only Dezso Tandory, and Tandorism, i.e., the writer who, as a practicing ornithologist, makes the irreparable mistake of confusing the storm-bird of the revolution with the sparrows of Lanchid Street, is responsible for Hungarian literature's present critical stituation. If he would deal with storm-birds, the cause of Hungarian reform would move ahead with the necessary momentum, but the way it is, no one should wonder if this reform stumbles occasionally...A poet who changes his soul's eagle (or storm-bird, what do I know) with a sparrow. For, actually, it was Gyula Illyes himself who already said that "few literatures allow such a luxury of a great poet." No misundertanding! Illyes was not thinking of Tandory but conversation, of course. And when did he say it? During a friendly conversation, of course. "Between ourselves"...when we discuss the issues of Hungarian literature, the world, and the economic reform. Poor Illyes was caught by the fate of the dead. The number of his followers, friends and quoters is increasing. He cannot protest. He can do that only with his entire lifework and literary reputation. These he possesses. Knowing these, at any rate, the statement attributed to him by Tamas Ungvari is difficult to imagine. For Illyes knew that to mention "such a luxury" of a "great poet" in connection with a lack of social commitment is, to put it midly, nonsense. One reason is, for example, that there is no socially uncommitted great poet, to use the writer's expression. A great poet (meaning more than having the tall body) is one who, in his own way, understands, comprehends, experiences, and makes the "epoch" in which we live. Not to speak of the important question whether or not commitment exists in itself, without any reference. Do I have a commitment?, one may ask himself. Yes. But why, against what, to what, debating what? "Socially uncommitted." What does this mean this way? I would like to ask Tamas Ungvari. Primitive society as well as feudalism, capitalism and socialism are all societies. And even the latter social organization brought about such sharp changes that it would take real courage to simplify them to a mere "I am committed". Illyes would not have known this?! This is hard to imagine just as is his confrontation of "one of his greatest" contemporaries with society.

But in his debating article, Ungvari talks not about Illyes and not about Tandori and, supposedly, not about sparrows but about reform. About a reform which everyone opposes and no one praises - something like this is what one can read between the lines. Thus, according to Ungvari's definition, anyone who is not with it, is against it. Full people generally praise the cook's cooking and tend to consider the possibility of being close to the flesh-pot entirely acceptable. I do not know whether or not it is possible to pay attention to the hungry (as well) with a full stomach and with a pleasant muscle pain resulting from justling.

I have read and heard much recently about the reform and, although I am not an economist, it is not difficult for me to agree that there is a stringent need for some kind of a renewal, a thorough assessment of our affairs, and a renewal of our work at every level. But I would have like very much to hear, in terms of these thoughts, exact words about this reform and some concomitants of enterprising socialism as well. But this remains only a wish.

Why?

Because, I think, we do not have the courage to discuss one of the most important issues. Namely, that when celebrating the introduction of the principle of production or at least the recognition and discovery of this principle it is not clear enough for us that in today's Hungary we recognize not production by ability. Inequities in incomes are not created primarily by socially useful and actual productions. Of course, everyone knows this: we have been laughing for 10 years about the parable of the grocer with a Mercedes and the university professor with a Trabant. But everyone thinks only of the grocer. Although he is not at fault. Whatever fault he has, should not be a fault in a healthy society: it should be relegated to the internal revenue service, to the police or to public opinion. The problem is with the professor. For the professor this is an old song is not making enough money. And since everything is relative, this was not so apparent until the grocer became successful. The relatively underpaid professor, the relatively underpaid engineer, the relatively underpaid worker, and others, still constituted a relatively unified society. But in the moment in which some persons, in increasing numbers, rise above this "relatively" through their own work, the reason for contemplation emerges.

The grocer--or anyone else who, mobilizing his money and his mental and physical energies, enters life's "market" whirl-- accepts risks and delivers extra work in exchange for a higher income. He will fight for the latter. And, evidently, his fight will be more successful in a bad economy or bad market. If his expectations do not materialize, he discontinues. Then he goes back to the state grocery to cheat the customer, earning little income.

What did he do then? A realistic change. He can do it, for at this level of small enterprise, the mechanism is still so simple. But what should the professor, the engineer, the writer do? And what should the worker do? The latter organizes economic work associations within the factory. And a few hours of moonlighting (doing quality work) will yield many times more income that the previous 8 hours at work, using the same machine, making the same product. He suddenly understands that the value of this work during the daily 8 hours is not being paid for. Then, what is happening? Is he being exploited?

I for one believe, and everything indicates that it is not honest to start a competition with unequal chances. Especially not when we even say at the start that everyone has the same chance. The reason why sports are still the nicest and justest territory of life is that a fencer with his sword does not have to face an opponent with a large-barreled rifle; at least cheating is done on the same field and according to the same rules. A big thing!

A country of 10 million people cannot be leased to businesses operators; not everyone can be a private enterpreneur; not everyone can start a small business: not even a large one. Reform should start somewhere at the point expressed in the first week of October by a leading Hungarian politician, unfortunately in a festive speech of giving back to work its honor. I acknowledge, this is a rather striking program 40 years after the proclamation of the "society of work." But it is perhaps still the most important thing.

The honor of work! And everywhere. And the first step can be nothing but the unmerciful assessment of values. It has to be said that in a society everyone must make a decent living--not only making a living but making a decent living and, later a good living!--and this can be the only point at which a healthy inequality and the fight against equalization may begin. This will take us forward. But only confusion will result if we give up.

I do not believe that the present Hungarian society has polarities such as the grocer--worker, small businessman--professor, private repairman--journalist. But there are polarities such as the grocer-worker with a bad market and producing mechanism; the small businessman urged to use "left-over" money--professor forced to overspend; private repairman ready to handle shortages--journalist unable to handle shortages.

For there is a shortage of people, too!

He who works with words is the first to feel this shortage. And he suffers terribly from it. Even a journalist. Not to speak of a writer!

If literature does not feel good today, it has every reason. But I do not think it does not feel good. On the other hand, certain members of society do not feel very good. If literature can express this, then it is doing its job. If not, then, regardless of commitment, it is not doing its job. Not even it it is writing from morning till evening about storm-birds without saying a single word about sparrows.

I do not know whether Tamas Ungvari is fighting people or phenomena? If he is fighting against the latter, then I do not understand why he speaks so condescendingly about "mood reports." Literature does not always point forward like a resolution regarding mass sports.

9414/13068
CSO: 2500/49

BELGRADE ECONOMISTS CASTIGATE SYSTEM, PLAN

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 4 Nov 85 pp 20-26

[Interview with economists Ljubomir Madzar, Zoran Popov, Mladen Kovacevic, Sofija Popov, Oskar Kovac, and Nikola Zelic, by newsman Fedja Zimic: "The Next Move Is up to Politics"; date and place not given]

[Text] In preparing the Draft of the Social Plan of Yugoslavia for the Period 1986 to 1990 the Federal Bureau for Planning commissioned the Institute of Economic Science in Belgrade to do a study of the conditions, potential, and prerequisites for development of the Yugoslav economy, with particular emphasis on analysis of the dependence upon imports and of investments. The results and views contained in that study were used in drafting the Social Plan of Yugoslavia, which was recently presented to delegates of the SFRY Assembly, where that document will be adopted by the end of the year. Although the views of the delegates will be decisive as to the final content of the plan, we judged that it would be interesting for us to talk with those who actually did the study referred to. They are Ljubomir Madzar, Zoran Popov, Mladen Kovacevic, Sofija Popov, Oskar Kovac, and Nikola Zelic. Our staff writer Fedja Zimic prepared a freely edited version of this interview.

Ljubomir Madzar: Perhaps we might immediately begin with the observation that it is not a good time for drafting plans nor for any look very far into the future in view of the horrible uncertainty. What for a long time was normal and regular development was interrupted rather drastically at the beginning of this decade by the well-known disturbances which we still cannot see quite to the end of. That is, there is extremely great uncertainty, perhaps greater than ever before in our postwar development, leaving aside what happened after the Cominform Resolution, and it is well known that a highly uncertain situation is not the best for making any long-term plans. I think that this ought to influence the character of our plans somewhat and that the planners must change their style or the content of plans and instead of plans containing projections for which in any case there is not enough information or enough known elements, to turn to plans of action. It seems to me that never before has there been so little basis in terms of real trends and some real situation for the rates with which the planners enter into their planning projections as is now the case. If one were to ask the planners: Why those rates rather than some others, I think that they would be greatly troubled to make an acceptable answer. These plans are more lists of goals and certain commitments than plans which are based on trends that are objective in nature and which one can suppose with reasonable probability if not certainty that they will continue in the future as well.

EKONOMSKA POLITIKA: Does it seem to you that those opposing tendencies indicate that an essential change in the nature of the plan is required?

Madzar: Yes, I think that is exactly why the plan or the character of the plan should be altered, although constraints are contained in the Law on Planning itself. But regardless of the law, I think that we ought to draw up a plan of our action under these difficult conditions, and indeed possibly even a plan for getting out of these unenviable conditions which we will probably have to face over a lengthy period of time.

At the same time, one of the deficiencies of our plans to date has been we did not precisely know which entities would guarantee that the measures be enacted and carried out. I think that this point needs to be emphasized far more than was ever the case before.

Nikola Zelic: I have been thinking along similar lines. Our present crisis, and that is the word that is most frequently and daily mentioned, is not a crisis in the sense of any particular developments, it is not a crisis in the sense of any sort of critical fluctuations, so that by extrapolation of the particular trends we might project that future trends would be such and such. So, it is not a question of certain manifestations of crisis in the conventional sense, but of a particular state. With respect to its quantitative features this state has lasted for 5 years now, during which we have had a stagnant economy with a growth rate of only 1 percent. So, a certain state of affairs has become frozen. The evidence that this is precisely a state lies in the fact that the entire set of affairs has assumed lasting physical features. The shortage of energy is a lasting physical feature. The lack of infrastructure, the lag of transportation and other forms of communication, is also a materialized state. The same is true of the foreign debt, since we cannot squeeze additional domestic accumulation out of the available income, and this also represents a lasting feature of the state of crisis.

These material components have already become established in the socioeconomic sphere as well as socioeconomic attributes of Yugoslavia, as attributes of an underdeveloped business sector, of an underdeveloped economy. In that sense we already recognize the outlines of what is called social dualism in the socioeconomic sphere. That is a standard category in the elementary theory of development, a theory that takes underdeveloped economies as its subject. Social dualism--where there is a certain social stratum of people in the structure of society, but most are made up of workers, people employed in the socialized sector, the poorest peasantry, and unemployment, while at the other pole are those who are employed in the sectors which are better off and various people who derive income from property. Why is that important? Because this social attribute, with respect to social principles also implies certain economic developments in our society. That is, it is well known that distribution determines consumption.

Technological dualism, as a feature of the condition of the underdeveloped countries, is also outlined in our case. We have segments of the economy or producers in the same grouping whose equipment is extremely good and ultramodern from the technological standpoint, and others which are stagnant.

This kind of situation naturally penetrates the consciousness often even of professional economists, who have an entire brief to present about how we need to import modern technologies so that we could produce only for exports. Or, another example: the opportunity to create additional jobs is seen in the largest possible employment of rural inhabitants in agriculture, which is also an anachronism and exceedingly resembles those economies which are characterized by technological dualism, since it is there that one encounters that phenomenon. It is really astounding the analogy between that present state of ours and the features of the classic underdeveloped countries. The analogy is there, although I am aware that analogies are not the best method of arriving at understanding. In other words, everything indicates that in our European environment we have now become established as a country which has fallen out of the group of moderately developed countries. The question now, then, is what actions are to be taken, not how to plan and extrapolate and what to do in order to shake up and break up that situation. Another thing I believe is important here is what has brought us here, since it is precisely that diagnosis that will probably contain the first ideas about how to treat it and the directions for getting out of this charmed circle.

Madzar: I think we need to add to this assessment of the situation people's mental state, since people are disappointed, and pessimism has taken hold of them.

Zoran Popov: Along with everything that Nikola has pointed out, I would like to add some other observations. For example, over the last 6 years Yugoslavia has been developing at between one-third and one-half the rate of prewar Yugoslavia, whose annual growth rate was 2-3 percent. Over the last 6 years our growth rate has been 0.8 percent. The crisis in Yugoslavia has lasted for all of 6 years now. Which means twice as long as the effects of the world economic crisis in the economy of old Yugoslavia.

Accordingly, just these two facts, combined with a third, that there are more than a million unemployed, that investment in our economy has been inadequate for a number of years, that we are lagging behind in technology--direct us toward certain extremely unpleasant conclusions. Even now it is evident that the 7th year of the crisis situation will be approximately the same as this one. These are some of the facts which illustrate the tragic situation of the Yugoslav economy, which is no longer capable of any kind of normal functioning.

However, I think that there are certain other things which ought to receive our attention: For example, over the last 25 years not a single one of the country's medium-term plans have been fulfilled. The five plans adopted had the following fate: We formally withdrew three of them, and two were not carried out. Over that entire period the trends in development of the economy have been diametrically opposed to the intentions of all those plans. That is also a fact indicative of the tragic nature of the present situation of our economy: external uncertainty, internal uncertainty. At the moment no one can say what the fate of our internal conditions of development will be, what will happen with the changes in the economic system. It seems, however, that the state of affairs at the moment is such that we should not anticipate any sort of very serious changes in the domain of the economic system in the near future either, although from the standpoint of economic optimality we are talking about a system which has obviously brought the country into a crisis which it cannot overcome. The only explanation can come out of the fact that the political factor is not willing to undertake a change of the economic system, since this would also involve a change of the political system. No deal can be made that would bind the political system, development strategy, and economic system together. In the situation that prevails at the moment in our country there is blockage in all areas, and anyone who attempts--though I agree that it is a thankless task to make any sort of forecasts--can only say that under the same or worse conditions than those which have prevailed over the past 6 years the prospects of the Yugoslav economy are approximately what the trends of development have been over the last 6 years. That is, a stagnant situation.

In that sense, I think the research which we did as supporting material for the plan offered a better impetus for preparing the next medium-term plan. Why? For the simple reason that the plan ought not to be drawn up so ambitiously as to include a growth rate of 4-4.5 percent, since it is quite certain that the country cannot achieve that growth over the next 5 years, it is too short a period, and nothing has been solved. I think that the political credit which our party has should not be put on the line. What is the point of backing a plan when it is quite certain that it cannot be fulfilled, and whether it likes it or not, the party must stand behind it.

All that a man can say, respecting professional ethics and risking being labeled for it, is to point out to the so-called subjective forces, to the political factor, that Yugoslavia is heading inevitably for an economic catastrophe unless the thinking and the action of those authorities which have the responsibility undergo an essential change, and that in the very near future.

EKONOMSKA POLITIKA: Have you thought about the possibilities that those changes could indeed be speeded up. In OMLADINSKE NOVINE, which is published in Montenegro, Branko Horvat has launched the argument, which to be sure he does not elaborate, that the trend of inflation could be turned around and reduced in a year and development speeded up.

At the same time it is obvious that the changes in the economic system you have been speaking about depend upon changes in the political system. What sort of changes do you see?

Popov: I think that the political factor's resistance to changing the situation arises not only from the fact that the political system would have to be changed, but also because there is a matter of dispute as to whether a complete change of the economic system is required. That is, there is a need for some kind of acknowledgment which can only be made by the leading force of the society, the party. It takes quite a bit of political courage to say that what has been done was a sin that has been committed. Now we will have to sit down and write the book from the beginning. From the beginning, that is, certain foundations of the political system have to change. Above all, those are the economic powers of the republics and provinces.

What do we have? We have had a discussion concerning the unified market. The term "unified market" does not exist in the economics literature. That is an economic phenomenon of our own. It makes sense to us, since our republics are the national states of the majority nationality which is entitled to an independent economy, and an independent and sovereign economy must have its market. The Yugoslav market is superfluous in that concept. If we want to change the system, we have to change the basic premise of the system and decide whether the economies are national, that is, whether the republics are economically sovereign or by unification they will pass on some of their prerogatives to the Federation. Matters go from one extreme to the other in order to arrive at a third extreme. Branko Horvat has in fact said as much: Go back to the 1963 Constitution. This does not mean that that constitution should be revived, but that the political and economic system should be built according to the design contained in that constitution. The discussion no longer comes down to certain improvements, but to the whole, starting, of course, with the fundamental characteristics of the system. For example, social ownership. What does it mean in operational terms? What does this mean when consistently implemented throughout the entire economic system? What does it mean to say the social nature of income, what does it mean to talk about the planned-market character of the economy? We must consistently go through to the end with those few parameters on which self-management is based. But up to now we have consistently implemented through the political and economic system only the sovereignty of the republics, and we have subordinated all other elements to that. All the other elements can be the subject of social compacts. There is not one of them that is fixed, which is lasting. It is all a matter for agreement among the republics and provinces. In point of fact they conclude agreements about day-to-day current policy, that is, the process of making political deals is an ongoing one, and it is well known that that is a slow piece of machinery. There are a multitude of things to be resolved for an intergovernmental treaty to be made. How is current economic policy to be conducted through such an instrument? That is why those premises of ours that were incorporated into the model and study have to be valid, since when a new economic system is built up from the foundations, it takes some 10 years to build.

Sofija Popov: Now that we have mentioned the idea of the radical possibility of reducing inflation in a short period of time, I think that such ideas are utterly unrealistic, since inflation is not something of the moment; because there were a number of problems it took precedence because of its severity, but it is one of our country's long-term problems. As we know, we have been striving to control it for years, but for years it has become more severe, and it is nonsense to say that it can be solved on a lasting basis without changing the economic system. The best evidence of that is that Yugoslavia has one of the highest inflation rates in the world. There are few countries which have a higher rate except those which have been affected by war and various revolutionary upheavals. A solution to the problem of inflation cannot be expected without a lasting solution and without changes in the economic system.

As far as I am concerned, there is no willingness at present to change the system, and I think that this is having an essential impact on all relations. Price relations and price changes have to be the basis of all changes. Why in our country is there no willingness even to do that? We still have not created the conditions for the market to really operate. For that to be possible, we have to establish price relations, and the correction of price relations means making a political decision. There is no force whereby such a decision could be made.

A decision to correct price disparities means a new price system. That in turn is related to the distribution of income in order to carry out the concept in the long-range program, which is to link the distribution of income to the rate of accumulation.

EKONOMSKA POLITIKA: The republics and provinces have been mentioned as the principles in the process of reaching agreement and that this is essentially slowing down the entire process. If we have understood correctly, Popov sees the way out in a return to the situation in which those entities would give up their rights to enter into agreements on behalf of the Federation. Still that sounds more like politics than economics. In that context it would be interesting to look at economic entities and at their place in the system.

Popov: My sincere answer is that the solutions to the key problems are not economic, but political. You all know what kind of economic system we ought to have. For instance, it is built into our system that we reach agreement about prices. In the civilized countries the law has prohibited any sort of agreement about prices of producers. We have built up our system just the other way about from the system which has to carry weight for a market economy and a commodity economy.

Another unlikely category is that the republics can be economically sovereign. Indeed under the constitution they are responsible for their own development and for the development of Federation. This is just the opposite of what they have in all other countries. The constitution also incorporated the unified market, but as a mechanism for overcoming the difficulties in concluding social agreements. Accordingly, economic entities are continuing to behave rationally, quite rationally given the conditions. When an enterprise raises its price, that is really all it can do. It would be crazy to aim for productivity, to raise productivity, and to improve its position. Economic entities behave rationally, and the product of that rational behavior is the incurring of losses, differences in rates of exchange, and the situation at the moment. We are driven to that behavior by the system which demands it. Our political system and especially our economic system have not been directed toward the drive for economic efficiency, but toward protecting the interests of the republics and provinces. That is what the system is all about. It has entirely achieved that goal. There is now less trade across republic borders than the trade they have with the countries of western Europe. There is no movement of capital over republic borders, the mobility of labor is prevented, etc. Accordingly, this is where the key problems are now.

EKONOMSKA POLITIKA: Since these problems have arisen because the political system has given so much power to the republics and provinces, a more important question would seem to be: Why does capital not go from one republic to another by the logic of capital, that is, where it will be reproduced, where an increased surplus value will be created? It is a notorious fact that today capital does not even go from one opstina to another, and indeed not even from enterprise to enterprise. By all appearances we should look for the causes in the present concept and practice of economic entities, that is, in the fact that the system was mistaken in defining economic entities. This does not, of course, mean that we are saying that the mechanism for reaching agreement is not complicated, is not slow, and so on; far from it. If rational economic conditions did exist, regardless of what power the republic had under the constitution to be concerned primarily about its own economic development and the development of the Federation, that would not worry economic entities at all, but rather they would be interested above all in pooling their money where they could obtain the largest income.

Popov: That is what I would like as well, but that is not what the prevailing logic is. There are a number of examples which can be taken from the Economic Chamber in which the producers have proposed that they pool their foreign exchange, but the republics were categorically against it.

Oskar Kovac: So far in this conversation we have raised three issues which are interesting and related to one another. The first was how realistic it is to look at the present plan as an opportunity or an instrument related to getting out of the crisis. Second, to me it seems the logical question, although we have not dwelled on it much--What are the ways and mechanisms for getting out of the crisis, and third--What should the economic and political system provide so as to achieve that in some way?

When I said the way of getting out of the crisis, I had two different things in mind. One is that we now need very much some process of invigoration, and that is still far from any purposive and ideally long-term growth. Accordingly, let us treat that 5-year plan as a watershed plan concerning this present state, but certainly we cannot count on any growth with great ambitions in this period.

There is no doubt that the new law on planning has taken a few steps forward, although the problem of the planning entity still remains open. Who is to do the planning? Up to now the planning has been done by the sociopolitical communities--the republics and provinces, and possibly regions within a republic. If we were now to take a poll, as once was done in the Economic Chamber of Yugoslavia, on how far work organizations have gotten in their planning, the results would be amazing. Work organizations do not have plans and do not compile them because plans are binding under law. They are compiled by those work organizations which are driven to draw up something. That is, plans are drawn up by "Crvena Zastava," which has its own program, and I hope some will be compiled according to some of those joint programs which are an innovation in the 5-year plan. Second, I have also heard, and this does not contradict our experience today, if someone today were to collect the plans of the republics and provinces, that would amount to more than the federal plan, which is regarded as a fiction. To tell the truth, I do not believe that the Federal Executive Council [SIV] or the Bureau of Planning, which is a body of the SIV, are capable of planning low or unsatisfactory growth rates. In that context the key task of this plan is how to use the scanty quantity of resources. We constantly hear that half of accumulation should go for the fuel and power industry, while at the same time we hear that a sizable portion of accumulation is to go for interest, and when we add it all up, it is many times over what that growth can furnish.

Up to now we have had some alternative. The whole problem consisted of having to reconcile total consumption, national consumption, and the social product because of the deficit in the balance of payments, which had to be brought to equilibrium or to show a surplus. Up to now we have done this by reducing consumption, since we have been unable to augment production. I assume that this method of adaptation is exhausted. We cannot enter a new 5-year period and assume that real consumption should decline still more.... (Madzar: It can, it still can.) I say that the Bureau for Planning cannot propose and the Federal Executive Council cannot present that kind of policy and that kind of 5-year plan. In that case the plan is nonsensical, they should resign rather than write such a plan. That deflationary method of adaptation has been exhausted, and it is not possible to offer "blood, sweat, and tears" to the people for the next 5 years.

Accordingly, what has to be done now is to reconcile consumption and production by augmenting production. Of course, there is a large problem here, a bottleneck which is not easy to get by. That step is not even easy to recommend: In order to invigorate production in the short run we have to increase imports in many sectors. Exports are such that they cannot be increased in a short period of time. Accordingly, a growth of imports is a condition for invigorating production just as it is. It will not be better in quality or other aspects, but it could find some kind of a market abroad as it has done up to now, and there are probably also certain forms of demand in Yugoslavia which could be taken advantage of. If I am not mistaken, the funds for targeted housing construction are full, but housing construction is still standing still. There would be no question of any inflationary financing of housing construction, rather the contrary. Nor would that demand, financed in that way, take resources away from exports and the like. These things would not be in conflict with one another.

A growth of imports without an essential growth of exports is possible only if there is a change in the policy--as it is crudely put--of getting rid of the foreign debt. That is, we have to think about whether we want to repay the principal and interest at this rate, or could we put that off a bit and use that portion of domestic accumulation which we do not want to siphon over into repayment in order to invigorate economic growth. I do not see that there is any sort of other room to maneuver unless we want to continue the method we have had up to now, not to increase production, but to cut back consumption.

Accordingly, although it is very difficult to recommend such a step and to thrust Yugoslavia for all practical purposes into postponement of repayment of the debt and a very large amount of interest, which is a serious moral problem for our experts, I do not see any other way out than less stringent terms for repayment. That would mean that the surplus accumulation would remain in the country, would be invested, would go into a growth of production, and consumption would still be held below that growth of production, and the debt would be serviced out of that. However, until we see a guarantee that the Yugoslav economy will use that accumulation effectively, more effectively than up to now it has used its own and that of others, it is difficult to make the decision. That is, here we come to the question of what will guarantee that the economic entities, behaving rationally in their own interest and the interst of society, will achieve more. Certain changes in the system along those lines are far from ideal, but some are under way. The system of planning has been corrected a bit in principle, or there are chances of its being corrected. Should the package of foreign exchange laws be enacted by the end of the year, an end would be put to one form of dualism in the Yugoslav economy whereby some work for dinars and others for foreign exchange. The law on the banking business also means a step forward, although far from what we wished, so that I in fact still see the biggest problem in the price field.

Madzar: Where is the mobility in pooling and investment?

Kovac: The mobility in pooling and investment is resolved instantaneously by the prices of factors, which we have taken up, interest rates, and the rate of foreign exchange. As far as I am concerned, we do not need any law on expanded reproduction and past labor at all, just as we do not need a law on the unified market. But the problem area of prices if an open one for me from the standpoint of how much must the real economic factors mature so that prices, free prices on the market, do not jump 80 percent a year. That is all. When I see an answer to that question, I will be able to say more or less what will happen with inflation and whether there is a chance to reduce inflation to a tolerable measure. This way inflation is creating the impression that there is some national income, but that it is being taken away from the economy, and that the economy is therefore disenfranchised, and so on. If that were not the case, we would see that the economy is not creating enough income for everything this society needs. We would not say that interest is eating up the income of the economy, but we would say that our economy is not creating the income to cover real interest.

Mladen Kovacevic: I would like to go back to the assessment that we are in a grave crisis from which there is no way out. It would be dangerous to delude ourselves that it is the business cycle that is involved and that we are now bottoming out and there will be a turn for the better according to the nature of those cycles. When we say that the growth of the social product was 1.1 percent over a period of 5 years, then we have to bear in mind that most of it was achieved in the first 2 years. I don't know what growth will be achieved this year. Perhaps zero or minus, since production is up 2.4 percent, agriculture -11.0 percent, construction -7.0 percent, trade -6.0 percent.

At the same time, when we look at the figures of the International Bank, we see that the social product of the advanced countries between 1980 and 1985 grew at a rate of 2.5 percent, that of the developing countries 3.0 percent, while the figures for the socialist countries are close to 3.5 percent. That is, the world is nevertheless developing, but we have a growth of 1.1 and 0.8 percent.

So, the crisis is serious, and we have not achieved anything. The debt is larger than it was when we came into this planning period. At that time I was fiercely in favor, at Herceg Novi, of our undertaking to reduce the principal, to reduce the debt and to sacrifice a portion of the consumption of the population, which was relatively high. Now the debt is larger than it was, the standard of living has fallen greatly, and the situation in the economy is as it has been described, so that if nothing essential is undertaken by way of treating the causes, this means that we will go on vegetating: -1 percent of the social product. Yet look at what is being planned in the world. The International Bank for Reconstruction and Development has offered two alternatives. A variant of a high growth rate and a variant of a low growth rate. Even the developing countries, which represent our grouping, since we fall more and more in that group, are to achieve a growth of 5.4 percent between 1985 and 1990 according to the variant of the higher growth rate of the domestic social product, while according to the variant of the lower growth rate it would be 4.1 percent.

Our planners probably have that in mind, so that for political or certain other reasons they feel that we cannot adopt lower rates than 4 percent, at least for us to keep up with that group of countries. Of course, it suits the politicians to promise the people more than what is objectively justified. However, when it is up to the planners to say how that is to be achieved, there is not much they can come up with. All they can say is to increase the efficiency of investments several times over. On the basis of what? What entitles us to say that we will increase investments several times over? More or less everything remains the same, the system does not change, and accordingly it is realistic to anticipate that investment efficiency will be what it has been up to now. There are no chances of something essential changing overnight.

At the same time when we look at where the investments should be made, like it or not, we have to mention the fuel and power industry. Although there are many opportunities for us to achieve something with conservation, investments are indispensable, since otherwise we will be in the dark, and production will come to a halt. The fuel and power industry demands immense investments. Even assuming we reached agreement about the fuel and power industry. How are the resources to be furnished? I think that here the typical role of the state is like the one it has in all capitalist countries. The state administers the fuel and power industry, transportation, since if it leaves these sectors to entities below the level of the government, then it is hard going. So, then, there are no further dilemmas--and transportation also has to develop. Europe is more and more going around us in transportation. And it will be doing so more and more.

Our shipping and ships have also lagged far behind. We are now in 26th place with respect to the tonnage of our ships, while before the war we were in 17th place, and in 1972 we were in 19th. The average age of the ships is 17, while 10 is the normal age of ships in the world. Our seaports are horribly backward for modern container transportation.

So, like it or not, we have to invest if Europe is not to detour around us more and more. In addition, these are extremely important sectors for the inflow of foreign exchange. The question is that if we invest in those sectors, and these are sectors which by their nature cannot immediately guarantee a very high growth rate of the social product, where will the resources be found to invest in other sectors which have priority?

Looked at in this way, a great number of other priorities which are mentioned in the plan were obviously referred to for political reasons. There is the problem which Kovac mentioned: Should we undertake to reduce the principal of the debt? That is written down in the plan. That is a difficult dilemma and not just an economic topic. Here, there simply is no economic solution that is superior to the others. I always think that it is normal for us to plan to reduce that debt, to reduce the principal. However, much more important, as Kovac as said, is whether we will use the resources obtained from postponing repayment of the debt in a reasonable way? In this connection I am thinking above all of the low efficiency with which resources are used, and second, if we postpone repayment of $2 billion, the question arises of how in the years 1991-1992 we will repay what will come due then? This is not just an economic question, but a moral one as well. It is normal for the one who spent those resources to have to repay them to some extent rather than pass the debt on to the generations to come.

Madzar: As for the growth rates, in making certain computations I went back to the inventories and estimated that fictitious component which occurs both in the social product and in accumulation under the conditions of high and accelerated inflation, and I found that while according to the official figures the growth rate was 0.97 percent of the social product between 1979 and 1984, according to my calculations there was a drop if an adjustment is made for that fictitious component of inventories, -1.018 percent. So, we are harboring a belief that there has been an increase, but actually there was a reduction.

The question now is whether we really have any sort of real elements at all for coming out with a growth rate of 4 percent after 5 years not of stagnation, but of decline? Can we rely on any sort of objective, firm, and tangible trend? I think that for the present there are no elements on the horizon that would justify such a projection. In the study of our institute we came out with a lower rate.

It would be best if we had not included any rate at all. However, we were unable to do so, since the study was specifically devoted to projections, and projections signify a rate. I therefore think it would be best if we did not fool around with rates at all, but undertake action and specific moves.

In this connection I go back to the dilemma of repaying the debt. I think that in our society and economy there is a mechanism which is a bit perverse and consists of the following: Whenever any amount of resources is left over, and if we should lessen the pressure of servicing the debt by, say, repaying a portion of the principal, what remains is automatically eaten up. It is like some enormous vacuum which pulls resources in the direction of consumption with unrestrainable force, since we have created an immense superstructure which costs a great deal. We have set up relations in distribution in such a way that there are many channels through which resources can be siphoned into personal incomes, into consumption. And that is why I am inclined to agree to some extent with Kovacevic's suggestion, or I would rather say intuition, that it would perhaps be better for us to be a bit more concerned about repaying the debt.

It seems to me that there is no better alternative on the horizon for investment of resources than to repay those debts. Of course, in saying this I am aware of what Oskar Kovac is saying, that unless we increase imports a bit, our economy would be hampered and the machinery would begin to squeak. So, a postponement of repayment could possibly come into consideration on a moderate scale in some operational and short-term context, but when we are talking about a period of 3-5 years, I think that we have to look toward a partial reduction of that debt.

Nikola Zelic: It is a fact that those employed in the socialized sector of the economy are carrying the burden of lessening the debt and of some sort of additional accumulation. Our system of distribution is such that it yields extreme solutions: It is either so mild that it can be considered nonexistent (taxes), or on the other hand prohibitive and coming down hard on the small shoemakers, tailors, and the like. Here, there should be a redistribution on behalf of an additional source of accumulation both on economic grounds and moral and ethical grounds, and I think that there is a potential here which has not yet been tapped.

The question arises, however, assuming that we provide additional accumulation, regardless of where it comes from, at the end of the so-called first phase of the Long-Range Economic Stabilization Program, will we come into contact with an economic atmosphere that will guarantee that when the dinar or the dollar goes into the process of reproduction it will pass through the entire process of reproduction so that maximum benefit is derived from it and it comes back not diminished, but augmented? I think that that is the essence of the problem.

When the first phase of the Long-Range Economic Stabilization Program is completed, there is no guarantee that the dinar, the dollar, and the mark--capital, will not stumble at many points on its way and that many will not brush up against it, so that it will come back diminished. Why do I say that? Because it is felt that we have regulated distribution because we have adopted some social compact, that we have regulated prices, that we have regulated planning. However, it can be shown that certain essential steps at all those points through which the dinar (or dollar) passes in the system of expanded reproduction have not been made.

There is still no guarantee whatsoever that the dinar will be mobilized, even if the banking system were regulated, no guarantee how efficient investment will be or even that it will be efficient at all.

Second, there is no guarantee that untapped internal potential will be used overnight in our enterprises, at the present level of resources, which is what the planners anticipate, and there will be additional accumulation at a growth rate of 4.5 percent. There is nothing specifically said in the Long-Range Program... about that microorganization, or about microself-management institutionalization within work organizations, within basic organizations, and so on. I do not see that there will be any change with respect to a change in the role of the management function in enterprises. I do not see that anything will be done toward a clearer definition of who is the entrepreneur here, who is now going to come forth to work out the best variant for use of the dinar.

Madzar: The basic question is who will take the risk?

We have not solved that in conceptual terms. Which means that even if everything we have enumerated were to be ideally settled, if the same ownership arrangement were to stay in place, I am profoundly convinced that we would not be able to achieve results and we would again come up against the same problems. In saying this I am referring above all to the fact that the risk in business decisionmaking still does not fall on the property of those making the decisions, but on certain social resources, and in that kind of situation there is no way whatsoever whereby a rational attitude toward risk can be predominant in our economy.

I likewise think that under the present ownership arrangements collectives cannot be sufficiently motivated to expand social property. On the contrary, they are motivated to divide up the largest possible personal incomes, and then out of their personal incomes to expand their own property, their own ownership, that is, something which is theirs and which they can pass on to their heirs, and so on.

I think that among other things we will have to look for a solution in the direction of changing property relations and creating a situation where if things do not go well within an enterprise, or a wrong decision is made, every employee will feel it, but not merely in terms of a reduction of his personal income, but his property must also be at risk and must suffer, just like in capitalism of the classical, but also the modern type. When someone making a decision makes a mistake, then it is not only his current income which suffers, since that is not enough, but he also has to pay for it with his property.

At the same time, it is indispensable to create an incentive for expansion of social property, and if that incentive is to be operative, it has to be individualized in the sense that a sizable portion of resources should be the actual property of those employed, so that when someone retires he can take his portion with him. So, a coexistence of socialized and private ownership within the organization, and so when bad times come for the enterprise, there are certain consequences of decisions that were not thought through, and the property of the people employed there would be the first to feel it. I think that this is extremely important and that only in this way is it possible to create a rational attitude toward risk and the necessary responsibility in decisionmaking. We have been talking a very great deal about how the workers are not sufficiently involved in the process of self-management decisionmaking and that any way you cut it the professional management structures have been somehow usurping that right, but we have not asked ourselves to what extent that function of theirs is imposed by the logic of the situation and by the logic of the system in which things are now taking place. I think that if the situation were somewhat different, and if the consequences of decisions affected their property, or affected their property at least in part, they would have a different attitude and would attempt to fight to have a certain influence in the decisionmaking process. This way they very easily turn this over into the hands of the professional management structures.

Zelic: We have talked about that risk on several occasions and attempted to provide the rationale and create a scheme as to who would bear the risk in our context. In our system the risk should be borne primarily by professional management structures, although even these people do not have any great property or stock, but they do have their professional reputation, and once somebody gets into a mess as a manager, as the manager of an enterprise, he drops down on the "rating" list. However, there is no absolute remedy, since we are talking about a different kind of social ownership and a different concept of social ownership, but certain improvements are possible, along with the argument that our individual, even the one who has no property, does have something to risk in the form of his personal income.

Kovac: The problem is obvious and the attitude toward social resources is not what it ought to be, since there is no real penalty for wrong decisions. I am not certain whether this has to be fully resolved through the person's own attitude or through other solutions. A tightening of the attitude toward social resources by the very fact that resources will have their real price means something, and second, the attitude toward the work organization that has losses, if the possibility of covering the losses from the joint risk funds of the sociopolitical communities is excluded. All of that is intended in a way to strengthen responsibility for those social resources.

If a man bears responsibility for wrong decisions not only in terms of his personal income, but also his job, and if an enterprise has to cut back its volume of production, the size of its labor force, because of losses, if it has to lay people off, then probably the level of responsibility will be higher and the degree of a man's risk for wrong decisions will also be greater, except for those who sit on the fence.

EKONOMSKA POLITIKA: If we have 1.03 million unemployed, it is difficult to imagine a social community--an opstina or a republic--which will allow a factory with 1,000 people to go into receivership or for the employees to receive the guaranteed personal income between 16,000 and 17,000 dinars from the joint reserve fund, when rent, for example, is what it is today.

Kovac: [Line of text partially omitted]...is not done, it will not be able to employ 1 million unemployed.

Madzar: Why, for example, at the School of Economics doesn't a new regime begin on the basis of some law that would apply to the entire country whereby you will not receive your full salary of 6 million, but only 5 million, and 1 million will go into certain funds? You will be the owner of that, but it has to stay there in case the School of Economics makes some mistake, and the loss is first made up out of that. And then year after year some transitional regime would, of course, be necessary, those funds would be built up and would constitute a kind of reserve fund owned by the employees, who would be the first to suffer when it came time to pay the consequences.

Zelic: I think that the type of ownership is completely irrelevant in a system of doing business. I would reduce the problem to this or that organizational form, to a particular job being done by a greater or smaller number of people. If with the measures of economic policy you place those people under the same conditions so that the basic premise is that there is no exploitation, then it is completely irrelevant whether those people work in a cooperative and realize some kind of income at the rate of 5 million per person, or they work in a factory and again receive a monthly salary of 5 million. Accordingly, the line between social ownership and private ownership can be appropriately erased in that sense.

As for the risk, here we have to make an analogy with the Western economies and ask who in those economies actually bears the risk for an investment decision that was wrong from the outset, a wrongly chosen production program, a market that was wrongly selected, and so on? They have paid professionals--managers. That is their professional risk, and if they fall on that ladder, no one will hire them again to do those jobs, but they will find jobs in the minor leagues, there are jobs of another kind than what they did.

EKONOMSKA POLITIKA: In that system there is the titleholder of the property who bears the risk of business decisions.

Kovacevic: Why is it that some people in the field of politics do not want to change this system? There are presumably economic grounds. But I think that there is another reason, and that is that the politicians have been creating a system which, to be sure, is profoundly humanistic, but which is superior only from the standpoint of its humanism. At the same time the economists want to impose a typically economic system which will put pressure on people, which will punish them, will pronounce penalties, and so on. Perhaps we could immediately ask whether we truly should adopt any system which will put pressure on people, which will lay workers off, which will close down collectives if there is no future. I would say that we can set up a system which is independent of the world, but the problem is that we get into autarky. The contemporary world will not put up with our inefficiency.

Madzar: I think that it is a false dilemma about whether we are humanistic or not, whether the socialized sector will be driven out to take its chances in the weather. Our Yugoslav people are working in two sectors, in the socialized and private sectors. The private sector has been exposed to the weather all the time. If we can subject one portion of the people to that harsh regime, I do not see why the other portion shouldn't share the same fate.

The essential thing is to resolve that dilemma on the plane of principle as to why one portion of the people should be privileged because they are employed in the socialized sector. After all, for a long time the ratio of the income of the socialized sector to the income in the private sector was 2:1, while in a normal social community that would cause a great revolt. This is a profound moral question. For 30 years we have slept well with a good conscience, and now the issue is truly being raised of why those rules of the game should not be changed, especially since hard times have come, and we can no longer support the luxury of holding one sector like a drop of water on our palm, while we leave the other to all the risks and come down on it with the measures of economic policy in an extremely intolerable way.

Kovac: On that I agree. I think that in this society the person who is working with someone else's resources, which are, of course, social resources, must bear the same responsibility as the person who works with his own resources. In the joint stock companies in the West the risk is not borne by the worker with his property, but it is borne by the stockholders, and the workers are the last to be the stockholders. Accordingly, that is not a problem. In mixed economies there are cases where the government is the principal stockholder, and it still functions like any other enterprise. The gist of it is that if the worker or the work organization in which he is making decisions looks upon social property as resources entrusted to him for reproduction, as is the case in capitalist enterprises, then the attitude toward those resources would be different. It seems that the problem is that we are not yet willing as a society to accept all the consequences of a normal market relation. It is not just a question of the loss of personal income, but also of the laying off of workers.

Madzar: As matters now stand, there are no prospects for the situation to undergo any appreciable change. I think the question of how long we are going to believe that we have a basically good system, when at the same time we are achieving a growth rate which is perhaps the lowest in Europe, will be posed more and more and with ever greater firmness and insistence. I think that those bitter facts will have to have a sobering effect.

7045
CSO: 2800/63

RETAIL TRADE SUFFERING FROM SYSTEMIC POLICIES

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 4 Nov 85 p 5

[Editorial: "Neither a Service Center Nor a Monopoly"]

[Text] Probably the adverse effects resulting from the economic system and the material shortages are in no other sector of the economy so obvious as in the trade sector. Along with a drop in the real volume of sales, which this year have dropped to the level of 10 years ago, the size of the labor force in the trade sector has been growing as it has in other businesses; personal incomes in retail trade have been dropping off drastically, there is hardly any accumulation, and "own" working capital has been entirely exhausted under the impact of inflation and forced investment in so-called long-term loans, so that retail trade today covers only 4 percent of its merchandise inventories with its own business fund and the resources pooled in the trade sector on a long-term basis by other economic organizations. Are these not sufficiently convincing grounds for undertaking without delay a change in the present features of the system and for making possible some sort of normal business operation of the trade sector through one-time material interventions (redistribution of property)?

Numerous analyses, statements of position and proposals which are already winning out over those who see the trade sector as a necessary evil which can be minimized only by consistent implementation of the concept of mandatory pooling of labor and resources and by prescribing sales margins demonstrate that changes are inevitable, that the present system of mandatory pooling of trade organizations with production organizations, which has reduced the commercial organization to an economically unmotivated agent working on commission, has to be abandoned, that the way prices are set in the trade sector must be put on a par with the one that applies to production organizations and other organizations (according to the conditions of the market). The proposal of the Federal Executive Council for more rapid and consistent implementation of the Long-Range Economic Stabilization Program and the report of the General Trade Association of Yugoslavia entitled "The Place and Role of Trade in the Socioeconomic System," which is to be placed before the Federal Social Council for Economic Development and Economic Policy, also show that things are moving in that direction. The dominant commitment both in the proposals of the Federal Executive Council and the statements of position by the General Trade Association of Yugoslavia is that the effective functioning of the Yugoslav market requires that the trade sector be treated on the same footing with other economic activities, and that means freedom to establish ties and enter into association, free choice of trading partners, and the free setting of prices.

The features of the system and the measures of economic policy have taken retail trade back to the situation of some 20 years ago from the material standpoint. Its socioeconomic function has been driven back even more. It has become a supply activity, relying primarily on local production organizations, especially in the sector for foodstuffs. It is no rarity, especially in large centers of consumption, for commecial organizations trading in foodstuffs to enjoy a monopoly position on the market thanks to the policy of representatives of local sociopolitical communities and organizations, which is oriented toward favoring local producers. Commercial organizations do not obtain any sort of material privileges from that monopoly position. The only losers are the individual consumers, and even the profit of the production organizations (because of a captive market) is only apparent, since quality and overall business economy are being neglected.

The situation in the trade sector with respect to resources and their source is untenable. Last year retail trade covered only 4.1 percent of merchandise inventories with its own resources and resources pooled on a long-term basis. The situation is not essentially different either in wholesale trade or foreign trade--wholesale trade covered 7.3 percent of its inventories, and foreign trade 12.2 percent. In certain lines of the retail trade (food and general goods) there is an absolute shortage of working capital, which means that a portion of working capital and long-term outlays are covered with the short-term bank credits. That is why merchandise inventories owned by production organizations and goods received for sale on commission are growing in the trade sector. The problem is not just that the trade sector has been forced to pass on the financing of inventories to the producers. It is a greater problem that the trade sector is losing interest in making a choice of goods and producers according to the requirements of the market.

Because of the chronic shortage of working capital the trade sector has turned to a great extent toward the use of short-term bank credit, the credit of production organizations, and toward simple late payment. Commercial organizations are burdened with interest on credits, and that expense cannot be covered out of the difference in the price, since again this year the price has been prescribed. Foreign trade organizations are an exception. Although even they do not have working capital of their own, they have been managing to pay the cost of interest almost entirely out of revenues collected from interest. This is evidence of their privileged position in the present arrangements of the economic system. There is other evidence as well. The personal income per worker in foreign trade last year was 62 percent higher than the average for the economy, net income per worker was 227 percent higher, and accumulation all of 567 percent higher. This means that regulations on mandatory pooling (they apply to foreign trade and to wholesale trade) have not yielded results. Instead of rationalization, there has been an increase in the number of organizations of associated labor for foreign trade, especially those established within production organizations.

Wholesale trade is also oversized. That is another consequence of the features of the system and the measures of economic policy. It is quite understandable that in a period of shortages of goods and prescribed price margins, a large number of unnecessary wholesale organizations would necessarily be created in production organizations of associated labor. This has also expanded trade involving a large number of middlemen. It follows that the present law on mandatory merger of commercial and production organizations should be rescinded, which does not mean that independent trade capital should be created and should exist completely separate, since that is not consistent with the economic pattern manifested in the market economy. The process of pooling will develop depending on what the new economic system is based on. If economic organizations are motivated to conserve resources, if the principle of division of the remainder of net income on the basis of the amount of pooled resources is affirmed, then there will not be any commercial capital that stands apart.

Even today the trade sector, using the excuse that there is a need to consolidate, to specialize and to optimalize business from the standpoint of society as a whole, is asking for reinforcement of the existing privileges (a tightening of the administrative conditions necessary for registering a foreign trade organization) and the formation of new ones (abolishing the requirement of a commercial department, minimal sales or a minimum size of staff as a condition for a wholesale trade organization to register). In a market economy such administrative restrictions can only be harmful. Fuller liberalization of regulations on the conduct of exporting and importing and wholesale trade is inevitable. There is no justification for production organizations to have to export their own products or to import for their own needs exclusively through an organization registered for exporting and importing, since from an economic standpoint this is an inefficient solution. It is up to the production organization itself to decide whether it will export or import directly without an intermediary or whether it is more efficient for it to employ a specialized exporter and importer for those transactions. Finally, the demands for free association and the free setting of prices in trade cannot go hand in hand with demands for consolidation and expansion of existing privileges which the government is guaranteeing the large commercial organizations.

7045
CSO: 2800/63

DELEGATION ATTENDS JAPANESE PARTY CONGRESS

BCP Greetings

AU221558 Sofia RABOTNICHESKO DELO in Bulgarian 21 Nov 85 p 4

[Text] Tokyo, 20 November (BTA correspondent)--This is the second day of the 17th Congress of the Japan Communist Party being held in the town of Atami.

The leaders of the attending delegations of communist and workers parties are submitting greetings messages to the Japanese communists. Niko Yakhiel, leader of the Bulgarian delegation and member of the BCP Central Committee, submitted the greetings of the BCP Central Committee. The message states that the BCP Central Committee and Todor Zhivkov, its general secretary, personally convey the most sincere congratulations to the delegates and guests attending the 17th Congress of the Japan Communist Party, as well as wishes for successful work.

The Bulgarian Communists, the Bulgarian people, have feelings of solidarity for the Japanese Communists, for the workers' class, and for all working people in your country, the greetings message of the BCP Central Committee states.

People in Bulgaria are well acquainted with the consistent actions of the Japan Communist Party in defending the vital interests of the working people, in the struggle for democracy and social progress. We appreciate highly the indefatigable efforts of Japanese Communists in the struggle for peace, against the country's militarization, for halting the nuclear arms race and for banning nuclear arms, the BCP Central Committee greetings message stresses.

The 17th Congress of the Japan Communist Party is proceeding in an international atmosphere which continues to be extremely complicated and tense because of the policy of super-rearmament, pursued by the aggressive forces of North American imperialism and its allies.

The Washington "star wars" program has aggravated the international situation even more and represents a real danger to the existence of human civilization. In the Asian and Pacific zone as well, the United States is accelerating the modernization of the existing military bases and is considerably increasing the number of such new bases, for the purpose of bringing their armaments, including their missile nuclear weapons, closer to the territory of the USSR and of the other socialist countries.

The socialist Warsaw Pact states adopted a declaration in Sofia recently which contains specific proposals for eliminating the danger of nuclear conflict, for preventing the militarization of outer space and for limiting nuclear arms until their full destruction. This is a realistic program of wide scope which creates a basis for achieving a change for the better in the present development of the international situation, the greetings message points out.

The working people in socialist Bulgaria, rallied around the Leninist general policy of the BCP, are worthily preparing for the forthcoming 13th BCP Congress in an atmosphere of political and working enthusiasm. This congress will consolidate the basic trends for the further socialist construction of the country, the greetings message further emphasizes and describes the successes in building a developed socialist society in our country.

The People's Republic of Bulgaria is an inseparable part of the socialist community. It actively participates in the struggle for disarmament and peace, the greetings message further points out. Our foreign policy is focused on the efforts of strengthening understanding and mutually advantageous cooperation with all countries and peoples, on the efforts of transforming the Balkan peninsula into a nuclear-free zone. The BCP CC greetings message recalls the meeting between the first leaders of our two parties in May 1985. This meeting opened new opportunities for cooperation and mutual relations between the BCP and the Japan Communist Party.

We are convinced that the relations between our two parties will become even more intense and meaningful in forthcoming years in the interest of both the Bulgarian and Japanese peoples, as well as for the sake of international communist solidarity, for the sake of peace and social progress, the BCP greetings message states in conclusion.

Delegation's Return

AU021625 Sofia Domestic Service in Bulgarian 1600 GMT 2 Dec 85

[Text] A BCP delegation which took part in the 17th Congress of the Japanese Communist Party returned from Japan today. It was led by Niko Yakhiel, member of the BCP Central Committee.

/8309
CSO: 2200/53

KURDZHALI BCP SECRETARY ON OKRUG'S PROGRESS

AU171926 [Editorial Report] Sofia RABOTNICHESKO DELO in Bulgarian 16 December 1985 carries on page 3 a 2,100-word report by Georgi Tanev, first secretary of the Kurdzhali Okrug BCP Committee, on the successes achieved in industrial, social, educational, and cultural fields in the implementation of the decisions of the 12th BCP Congress in the okrug. The tone is set in the first paragraph:

"Accelerated development of the economy in every conurbation system, qualitatively altered conditions of life in every population center and in every family, the broad scope of the revival process--these are the main results achieved by the Kurdzhali Okrug party organization following the 12th BCP Congress. They are the law-governed consequence of the workers' striving to master and apply in practice the bold innovative ideas of the BCP Central Committee and its general secretary Todor Zhivkov."

Tanev notes that this renewal drew strength from the example set by the Soviet metallurgists in the Rhodopes, but was principally due to the BCP's April line: "People accepted it as their own fate, as a dream of many generations come true for labor and progress, for equality and social security, and by their concerted labor they have revived [vuzrodikha] the region of the Eastern Rhodopes. The age-old aspirations for human dignity, for the natural right of executed testament. In overcoming the pain from the tragic [word indistinct] in parting company with the past's grievous accumulations, the optimism of renewal rises up and tiumphs."

Tanev continues by giving data on manufacturing, industrialization, capital investment, industrial, and housing construction successes in Kurdzhali Okrug achieved during the Eighth 5-Year Plan. Tanev reports production increases in agriculture, noting: "Our land is dry, mountainous, and poor, but the Rhodopes people are tied to it by fate. With new cultivations the agricultural workers are today changing their native region into a blossoming garden."

Tanev then stresses: "The concern of the party shelters the creative zeal of the okrug's toilers. In the conubration systems ever better opportunities are being created for training the youth of the Rhodopes and for enabling them to express themselves. In the last 7-8 years alone about 8,000 machine-building workers have been trained. The okrug is a leader in the demand for and purchase of Bulgarian fiction. As well as the professional creative collectives, amateur performers from Avren, Zhultusha, Kirkovo, Byal Izvor, Ivaylovgrad, and Kurdzhali are conquering numerous admirers with the charm of the Rhodopes song, with the joyous rhythms of the Bulgarian folkdances. The world champion weightlifter Naum Shalamanov is a source of patriot pride and a model for youth. The dynamics of the socialist transformations has produced and is producing its heroes in labor and culture, in study and in sport."

Tanev concludes by underlining that "It is a source of optimism and faith that, in the struggle to build a developed socialist society in our native land, the contribution of the Rhodopes people, with their steadfast work to equal the best models will stand out in ever sharper relief. As a clear bubbling stream, issuing as it were from the depths of the Rhodopes and directed by the party's April wisdom, the renewal will acquire fresh impetus after the 13th BCP Congress."

/8309
CSO: 2200/53

ZHIVKOV RECEIVES NEW AMBASSADORS' CREDENTIALS

AU171859 Sofia BTA in English 1750 GMT 17 Dec 85

[Text] Sofia, December 17 (BTA)--Today, Mr Todor Zhivkov, president of the State Council, received the first ambassador of Guinea-Bissau to Bulgaria Mr. Arafan Ansu Camara, who presented his credentials to him.

Noting that the relations between Bulgaria and Guinea-Bissau are in the process of formation, Mr. Todor Zhivkov stressed the presence of good will and possibilities for their promotion and expanding.

He gave a high assessment to the contribution of the African Party for the Independence of Guinea and Cape Verde (PAIGC) and of the Government of Guinea-Bissau to the struggle of the African peoples for the complete liberation of the continent from colonialism and for the elimination of racism and apartheid.

The ambassador of Guinea-Bissau expressed gratitude to Bulgaria for the support which she renders to his country in its national restoration.

Mr. Todor Zhivkov, president of the State Council, received the newly appointed ambassador of Sudan to Bulgaria Mr. Amado Muhammad Dhiyab.

During the credentials presenting ceremony, Mr. Todor Zhivkov stressed that Bulgaria supports the positive changes taking place in Sudan. He joined the wish expressed by the Sudanese side and promote Bulgaro-Sudanese friendly relations.

Mr. Todor Zhivkov, president of the State Council, received the credentials of the newly appointed ambassador of Thailand to Bulgaria, Ukrit Duriyaphromma. Mr. Todor Zhivkov expressed his belief that the realization of the possibilities for the further promotion of the relations between Bulgaria and Thailand will be in the interests of the two peoples and will serve the cause of peace, international understanding and cooperation.

On his part the ambassador noted the considerable progress in the relations between the two countries and stressed the possibilities for their deepening.

/8309
CSO: 2200/53

REPORTAGE ON ANTONOV TRIAL

Evidence on TIR Truck

AU291112 Sofia BTA in English 2222 GMT 28 Nov 85

[Text] Rome, November 28 (BTA correspondent)--Today's session of the court was devoted to the revelation of the facts in connection with the notorious Bulgarian T.I.R., which according to the prosecution had to take the assailants out of Italy. But before that two other witnesses were interrogated who had to confirm or deny the presence of Sergey Antonov in the office of "Balkan" in Rome on May 13, 1981, in the afternoon at the time when the assassination attempt against the Pope had been done.

The Bulgarian citizen Svetlana Vasileva Parisi, who had worked in the Rome agency of "Balkantourist" at that time, confirmed that in the afternoon hours of May 13, Sergey Antonov had been present at his working place, that at the same time Silva Petrova and Tsvetana Blagoeva had also been there, that they had learnt about the attempt on the life of the Pope from the mother of Silva Petrova, who had been visiting Rome then, i.e., things which have already been said by the other witnesses.

With the help of a rather poor and incomplete translation, the witness explained how she had made the mistake to say that Rositsa Antonova had been in the office of "Balkan" during that day.

"Because during that period Rositsa was in Rome, helping a little, without considering the exact dates, at first I rather hastily said that she had been in Rome, but after that in calmer condition I remembered that she had departed before that and so I went to inform the investigating judge about this fact," said the witness.

It is interesting to know why the presiding judge is so anxious to make out that Rositsa Antonova has been in Rome at that time, when Agca himself has already recanted his allegations, that he had been in Antonov's house and that his wife has also been there, and stated that he had never seen nor known her.

A new evidence, given by an Italian citizen, clarified the question whether Antonov had known English Roberto Pancari, who had been an advertising agent at that time and had contacts with "Balkantourist," said that he had known Antonov and that he had never heard him speak in English. "He spoke only a little Italian," said the witness.

Then came the turn of the custom's examinations of the T.I.R. truck which had arrived from Sofia with alcohol bottles for the embassy. The former custom-house employee Giovana Catena, retired at present, and the custom-house officers Alfredo Albarano and Epifanio Scalera, were interrogated consecutively.

Giovanna Catena did not remember any details from that days [as received] because she had not been directly engaged with the reception of the truck.

The other two officers provided more information. Alfredo Albarano confirmed the information he had given during the investigation. Once again he retold how and at what time on May 12, 1981, they went to make custom's examination of the truck of the Bulgarian Embassy. The witness had been accompanied by his colleague Scalera and by the financial clerk Maurizio Lucchetta. He explained that he had controlled the unloading of the truck, but despite the insistence of the embassy for loading again and stamping of the truck on the same day, he had refused because he did not have the permission for that. He had the impression that the embassy had been hurrying and wanting the truck to leave on the same day--May 12.

This is an exceptionally important evidence, because according to the prosecution the truck had come with the special purpose for taking the terrorists after the attempt on May 13. And it is evident that only because the custom-house officer had refused to stamp the truck on the same day, it has remained for the next day--May 13.

The presiding judge, evidently disappointed by Albarano's testimony, suddenly asks him a tricky question. "Was there anything strange in the truck, like mattresses or a special air conditioning installation? Had the truck any window?"

Alas, nothing had been provided for the convenience of the eventual refugees-conspirators! The witness answered that the truck had been a completely covered wagon, had notany windows but only a hind door, had not had any airconditioning and mattresses.

By the questions of the Counsel for the Defence Consolo it became clear that the stamp of every truck is examined at the border, and if any truck comes unstamped or with a broken stamp, immediate measures are taken. When a T.I.R. truck comes from abroad it is stamped at the border. The witness Albarano said also that the custom-house formalities were not a secret and other persons can find out about them.

Consolo insists on recording in the protocol that the truck had been parked in front of the entry of the Bulgarian Embassy, in a narrow street, that there is another embassy on the other side of the street and two shops working all day. He wanted to clarify the fact that any activity around the stamped truck should have been noticed and insisted on inspecting of the very place.

More complicated and even sometimes stormy, was the interrogation of the witness Epifanio Scalera, also a custom house officer. He had attended the unloading of the truck in front of the embassy. The stamps had been examined. The T.I.R. had been a covered wagon, without any windows. Many people from the embassy had attended the unloading. They had lunched together in a restaurant, several people: the witness, his colleague Albarano, Mr. Luchhetta from the finance police, the Bulgarian driver, who had driven them to the embassy and one other man.

This moment also deserves to be underlined. Because the man unknown to the witness is Todor Ayvazon, who had to carry out the custom's clearance and loading of the T.I.R., the one for whom Agca had alleged that at these very hours he had been at St. Peter's Square.

Scalera has also attended the T.I.R. on May 13, in order to stamp the newly loaded truck. He remembers that he had stamped 43 packages and finally stamped the truck itself. It is routine custom's work for him. The request from the Bulgarian Embassy had been received in the morning of May 13, and he had been sent to make the custom's examination.

The presiding judge asks whether stamps are often forged.

The witness: "I have been working in the custom-house for 40 years and I don't know about any case of forgery. We have pliers with the state stamp and a number. There cannot be any forgery."

The prosecutor tries to clarify a subtle difference in the evidence. The witness Tsvetana Blagoeva maintains that she has been at the custom-house and remembers this officer. The witness said that he had not seen her. "If she had come to the custom-house she could have seen me, but I may not have seen her," says Epifanio Scalera. He also confirmed the fact that the embassy had wanted the truck to be stamped as early as May 12, so that it could return faster to Bulgaria, but his colleague Albarano had refused because he had not had an order.

The Counsel for the Defence Consolo pointed out that the three witnesses Scalera, Albarano and Lucchetta, had unanimously stated that the embassy had wanted to settle the custom clearance of the lorry and its departure, as early as May 12.

How should Agca and his accomplices have run away with the Bulgarian truck, as they had planned their criminal action for May 13? What can be a more strong evidence than that, that between the Bulgarian T.I.R. and the event on St. Peter's Square there is not any connection, except the sheer accident, that because of the refusal of the custom-house officers it has been forced to remain one day more in Rome, till the fatal May 13.

The only place in Scalera's evidence, which made the presiding judge and the prosecutor react, was the difference which appeared in the specifying of the time for his work with the T.I.R. on May 13.

At the investigation the witness had said that he had ended the stamping till 7 p.m., and now before the court he said that he had worked till 1 p.m., and a little later he said that it had been 4 or 4:30 p.m. This inaccuracy of his memory provoked a sharp reproach on behalf of the presiding judge. Several times Scalera wanted to explain what exactly these differences mean, but angered, the presiding Judge Santiapichi did not let him speak.

During the afternoon session the interrogation of Scalera continued and his colleague Albarano was called for a confrontation with him. The Counsel for the Defence Consolo requested from them to explain whether it was possible an embassy's appeal for custom's clearance of a truck to be fulfilled with a few days delay because of the custom-house. The witnesses replied that this was not only possible but it happened very often. Thus it became clear for the unprejudiced observers that it would have been impossible for the Bulgarians to synchronize the days and hours of the departure of the T.I.R. truck, as the unsubstantiated thesis of the prosecution has stated. The interrogation of these witnesses was adjourned, till some additional documents for the custom's clearance be presented to the court.

Tomorrow the trial will continue its work. The court will interrogate as witness Ali Batman, the new chairman of the Federation of the Turkish Idealists in Western Europe, who has replaced Musa Serdar Celeb.

BTA Reports on Trial

AU121028 Sofia BTA in English 2152 GMT 11 Dec 85

[Text] Rome, December 11 (BTA correspondent)--If it had not been for the journalistic dispatch from New York, today's session of the court on the trial on the assassination attempt against the pope, once again would have been only like a colorless negative in the archives. The correspondent of the Naples newspaper MATTINO informed about the interview he had taken from the much talked about ex-secret agent of the Italian secret services SISMI--Francesco Pazienza, who had been held in New York.

The Investigating Magistrate Martella, who had carried out the inquest against Antonov and the other villified Bulgarians, and who had brought the inquest to an extraordinary badly fabricated and justictically unfounded trial, recently has been assigned to carry out the third investigation on the same assassination attempt against the Pope. More curious is the fact that the third investigation is held exactly at this moment when the time for the outcome of results of the second trial on the attempt against the pope has come.

Nevertheless, the counsels for the defence presented the interview, which Pazienza had given just before he had been taken for interrogation, and requested that it should be attached to the document of the trial.

"I can say that the entire story with Agca is a machination. I have nothing to do with him," Pazienza insisted to point out.

Explaining which one of the SISMI's chiefs had wanted to revenge and discredit him, Pazienza had said: "Agca is only a spokesman on those who pull the wires. He speaks only the things which others want him to say. For example: This complicity of the Bulgarians in the attempt. This is a real mockery. Everybody knows that I was, among other things, agent of SISMI," stressed Pazienza. You should excuse me, but if the KGB had wanted to kill the pope, definitely they were not going to use the services of a degraded person like Agca.... The story about the terrorist game had been invented by Claire Sterling. The deeper we go into this story, which is only a buffoonery, the more we see the fragility of certain structures in the Italian state..."

Question: "In short, you think that the whole story with Ali Agca is a fabrication?"

Pazienza: "Everything is a lie."

At today's session of the court, the Counsel for the Defence Larussa requested that Francesco Pazienza should be summoned as a witness. Then the Counsel for the Defence Consolo took the floor. He said: "I want to underline another moment. It is rather strange that an Italian investigating-magistrate, who has already held an inquiry into this trial and has not reached any concrete results, now takes part in the third investigation. And that is exactly at the time of the trial in Rome. I don't know who had taken this decision, but nobody has informed the court that Martella will go on a mission.... This decision affects the rights of the defence and it is an insult to the legal proceedings. At the same time it violates the rights of the prosecution."

Consolo supported the request for the summoning of Pazienza as a witness.

The prosecutor did not miss this chance to present another additional request of his. He agreed about the summoning of Pazienza as a witness, but in exchange he requested the interrogation of a number of witnesses, who have been long forgotten. Among them he mentioned the names of Alexandre de Marenche, ex-director of the French secret services, Arnad de Borchgrave and many others.

Three witnesses were interrogated during the morning session of the court. The first one—Carlo Patrizio, who had worked in the Italian airlines in Rome and had known Antonov personally, stated that they always had spoken only in Italian and that according to him Antonov had not known English language.

"In the beginning I have tried to speak in English to him," said the witness "but he always said 'No, no, no, no, Italian,' "Patrizio pointed out that Antonov could fulfill his work without having a command of English language.

The witness Franco Garcino, ex-warrant officer from the security guard of the prison, at present serving a sentence as a Camorrist, alleged that: He had hardly known Agca, he had never spoken with him, he had not known that the Camorrists had brought presents for Agca. The cell of Agca had been controlled with television cameras, but he had not known why the director of the prison had ordered this. The guard had been isolated from his prisoner to such an extent that he had not seen any visits, even those which had been admitted by the representatives of the secret services, or the visit of the bishop. The witness said that the priest of the prison had visited Agca only four or five times during the whole time, while Santini himself confessed to have visited the prisoner not less than two times a week.

Worthy of mentioning was the only confession of the ex-Warrant Officer Guaracino that he had known about the order issued by the then-director of the prison that everybody who had wanted should be admitted to visit Cutolo (the chief of the new Camorra), who served his sentence in that prison at that time. He also remembered that certain persons like Colonel Belmonte, from SISMI, Alberto Dita, and many others had visited Cutolo several times, and had talked with him in the office of the director.

The Counsel for the Defence Consolo stressed the fact which was conveyed by the witness, that many people had visited "Ascoli Piceno" Prison and that they had entered inside the prison without establishing their identity or without any pass.

This important information was confirmed by the next witness--Di Sabato. He had been a warrant officer from the prison entrance guard. He had also been informed about the order of the director for letting in anybody who wanted to visit Cutolo. That is why he had not asked for documents the visitors of the Camorrist but had only informed the director about it. Di Sabato also had not seen and had not understood that two agents of the secret services SISMI and SISDF, had visited the prison and had talked for a few hours with Agca on December 29, 1981.

The witness Cosimo Giordano, ex-director of the prison in Ascoli Piceno, was interrogated at the afternoon session of the court. Evidently, Giordano had decided to deny everything connected with Agca, Pandico Cutolo. But in the stream of denials he made several essential, from procedural point of view, confessions. For example he stated that the prison section of Agca consisted of three cells. One of them had been occupied by the Turkish terrorist and the other two had been occupied by the Italian terrorists Senzani and De Murtas. The distance between the cells had been very small and the three of them had the possibility to communicate verbally. This is a very important fact in support of the thesis that Senzani had played a certain role in the improvement of Igca's Italian language.

Giordano confirmed that Colonel Belmonte from Super SISMI and his retinue, had often visited Cutolo in the April-July period of 1981, including the time when Agca had already been in this prison. The orders to admit this visitors had been received by the director of the prison over the telephone from the Ministry of Justice. But there are not any documents about them. The only inscription in the register had been subsequently removed by the Warrant Officer Di Sabato. Nothing else was left to the presiding judge but to draw the logical conclusion that other persons (naturally not just anybody, but related to the secret services) had been able to visit the prison in this way, without leaving any discrediting documents.

The most substantial contradiction in Giordano's evidence was indicated by the Counsel for the Defence Prof. Consolo. At first the witness denied the fact that the transference of Cutolo to another prison had been postponed. But then, pressed by the questions of the defence, he confessed that he had been summoned to Rome and there he had been given an order for the transference of Cutolo. Two days after that this order had been cancelled over the telephone. This had happened in March 1982, and it follows from this that it coincides with the evidence of Giovanni Pandico. The counsel for the Defence Consolo stressed that the witness suppressed certain facts. The court resolved immediately to demand the document for the transference of Cutolo and after that to arrange a confrontation between Giordano and the Warrant Officer Guaracino.

Evidence to Clear Antonov

AU121815 Sofia BTA in English 1713 GMT 12 Dec 85

[Text] Paris, December 12 (BTA correspondent)—The French lawyer Mr Christian Roulette, who had gained popularity in France and other countries for his two books on the anti-Bulgarian provocation in connection with the assassination attempt against Pope John Paul II, has received a letter from Francesco Pazienza, a former employee of the Italian secret services currently detained in the United States.

Pazienza wrote in his letter: "Mr Roulette, I have not yet had an opportunity to read your book on the 'Bulgarian connection.' Naturally, I do know that there you write of me as the person who has formulated the brilliant idea of coaching Ali Agca into spinning the well-knit yarn about the Bulgarians..."

Further on, Francesco Pazienza cites evidence of the way the "Bulgarian connection" had been concocted.

The lawyer Christian Roulette has sent the following declaration to Severino Santiapichi, president of the Rome criminal court hearing the second trial for the assassination attempt against Pope John Paul II:

"Mr President, in the course of the trial for the attempt on the life of Pope John Paul II, mention has been made of my book "The Connection." I have formulated in it some assumptions and hypotheses. Since September 1984 and especially since the opening of the Rome trial in May 1985, diverse pieces of testimonial evidence have substantiated these hypotheses. The documents I have received from a number of journalists have enabled me to compile a second "dossier" which was published in France as a book entitled "The Trial."

"As a result of this second book, Mr Francesco Pazienza (currently held in custody in the United States) informed me that he had deposited a dossier in Paris which provides a most detailed elucidation of the origin of the "Bulgarian connection" and gives an accurate description of the persons who have misled the international community and the Italian Judiciary by turning Mehmet Ali Agca into a gunman hired by the secret services of the socialist countries.

"I have already had an opportunity to get familiar with this dossier.

"I am prepared to report to the court in Rome in order to submit to the judicial panel all facts proving that Sergey Antonov and the other Bulgarian citizens are unjustly and groundlessly charged with complicity in the May 13, 1981 attack on Pope John Paul II.

"With due respect, I place myself at the disposal of the court presided over by you."

Reports on Gen Musumeci

AU121809 Sofia BTA in English 1726 GMT 12 Dec 85

[Text] Rome, December 12 (BTA correspondent)--This morning's session of the court trying the case of the papal shooting was probably the shortest yet. The court sought to confirm whether Gen Musumeci had visited the Ascoli Piceno Prison or whether (as he has alleged) he had never been to this town.

The court interrogated two carabinieri, who had worked in Ascoli Piceno in 1981. The first of them, Sgt. Pietro Pician told the jury that one August day in 1981 a powerful car coming from Ascoli Piceno and travelling in the direction of Rome had [word indistinct] and those inside had warned him about the suspicious actions of certain youths. The latter had been transferring something from one car to another and could have been involved in a robbery. There had been three people in the car, one of whom had come out of the car and shown the sergeant his service card. He had said his name, which the sergeant did not remember. However, the thought that the name had not been Musumeci.

The other officer Erminio Barberini, however, remembered that there had been a bank robbery and that he had been called to investigate. His colleague Picani had then told him of the large car with long antenas, and of the person who had come out of it and introduced himself as Gen. Musumeci of the carabinieri.

Both of them claimed to have sent a report on the case to their superior.

Journalists' interest today was focused on another event: the announcement of new disclosures about super SISMI's subversive activities and the arrest warrants issued for 16 persons, among whom are Gen. Musumeci, Francesco Pazienza, Col. Giuseppe Belmo and Licio Gelli, the grand master of the P-2 Masonic Lodge, charged with the staging of the Bolognia Railway Station bombing which killed 85 people and wounded more than 200.

The names of some of these people have been referred to in connection with the trial in the papal shooting and have come to the fore during the last few days.

While Musumeci was called to testify before the Rome court, attention was now focused on Pazienza. Today's Italian papers feature the sensational news that Pazienza has sent a power of attorney to the French lawyer Christian Roulette which the latter is to use to receive from a bank safe deposit vault documents that throw light on the backstage machinations related to the so-called "Bulgarian connection."

Bias of Trial Attacked

AU030916 Sofia NARODNA ARMIYA in Bulgarian 30 Nov 85 p 4

[Lt. Col. Eng. Lyubomir Mikhaylov commentary: "At the Rome Trial: In Contradiction to the Requirements for Impartiality"]

[Text] Monday, 25 November, was the third anniversary of the arrest of the innocent Bulgarian citizen Sergey Antonov, and on Thursday the Rome Criminal Court, which is hearing the second case concerning the assassination attempt on the pope, recorded its 60th session. We note these two dates and the cheerless balance sheets connected with them in order to remind readers once again of a monstrous charge devoid of any factual support whatsoever, a charge which the proceedings of the Rome trial to date have been shown to be a brazen lie.

This is already the fourth year during which our fellow-countryman Sergey Antonov has been the victim of a trumped-up false charge, but a charge which is still standing and has been maintained with amazing persistence. Throughout the whole of this period the name of the arrested Bulgarian has been exploited for a slanderous campaign, unprecedented in its substance, against the People's Republic of Bulgaria and other socialist countries. The "proofs" of various "defenders of the truth" have collapsed one after another, and the indignation of broad sections of public opinion have been unable to influence the malicious game of the slanderers. The arrows of disinformation have been aimed at various details and objectives, but always in the direction desired by the most reactionary circles in the west.

So far no open road has been afforded for the truth, but obstructions are deliberately placed in its way both by the chief slanderer, the murderer Agca, and by the guardians of Italian justice--prosecutor Marini and Judge Santiapichi, as well as by those who are directing their present behavior from behind the scenes.

From 25 November 1982 to this day nothing has changed. The truth of the complete innocence of Antonov, Ayvazov, and Vasilev is the same as it was 3 years ago. Regrettably, the monstrous charge is still being sustained on the lies of a completely discredited terrorist, although it is already clear as day to millions of people who is supporting the slanderous version and for what purpose.

The news of the past 7 days confirm the above. After a lengthy recess, the trial was resumed on Tuesday in the "foro italico" hall, with the window blinds drawn down. The interruption lasted for 18 days, of which only 7 were used to carry out an international judicial assignment in Turkey, during which all the lies of the slanderer Agca were once again categorically refuted.

At the same time, certain features of the court's activities make a particular impression. After 5 months of procrastination a decision was finally taken to hear the evidence of the Camora member Giovanni Pandico, who in June made revelations in the ESPRESSO journal concerning Agca's manipulation in the Ascoli Piceno Prison at the hands of the Camorra and the subversive "super SISMI" group of General Pietro Musumeci and the crooked dealer Franceso Pazienza. None of the latter, however, was summoned as a witness in this case.

Unworthy was the decision of the court to devote only 2 (!) days to the interrogation of the witnesses called by the defence, whereas the prosecution witnesses were allowed 6 months. This enormous imbalance is greater than it seems--in practice only a few hours are provided to hear the other interested party. This is a normal vivid example of the "impartiality" and "democratic nature" of Western justice.

This truth was also confirmed at the last two sessions, when a number of witnesses--Italian and foreign, who confirmed Antonov's alibi for 13 May 1981, were harshly warned and threatened by Marini and Santiapichi. This has already become recurrent tactic which the Roman magistrates keep to, in blatant contradiction of the elementary requirements of impartiality. This approach gives rise to a well-founded concern that they do not think that the evidence of witnesses who do not support the thesis of the charge should be taken into consideration.

The Bulgarian people, including also the soldiers of the Bulgarian People's Army, believe that in the final event justice will prevail. This confidence is based on the complete innocence of the Bulgarian citizens, which the Italian court is bound to confirm.

Pandico, Matrone Testify

AU040919 Sofia BTA in English 2245 GMT 3 Dec 85

[Text] Rome, December 3 (BTA Spec. correspondent Mira Todorova and BTA correspondent Khristo Petrov)--At today's afternoon session, Giovanni Pandico confirmed the evidence he had given for the L'ESPRESSO magazine and during the 1983 preliminary inquest for the trial of the Camorra in Naples of the visits paid to Agca in prison by leaders of the well-known subversive group "super SISMI." Agca was visited by representatives of the Italian secret services and he signed a declaration to cooperate with them by accusing Bulgarian nationals of complicity in the attempt on the life of the Pope.

Pandico's words sounded clearly in the tense silence of the courtroom. This is the great sensation of the trial. This is the real connection! This is the source of the suffering of an innocent man and of the unprecedented provocation against Bulgaria!

Agca took part in the confrontation declaring at very beginning with the impudence characteristic of him: "I want this confrontation to end because I have no intention of coming tomorrow."

During the Pandico's account, Agca repeatedly interrupted him shouting hysterically that he renounces Pandico's evidence.

Giovanni Pandico set forth a detailed account of how it came to Agca's recruitment to the anti-Bulgarian campaign. He said that in January-February 1982 at the Ascoli Piceno Prison, where he was serving a sentence, he and his friend Raffaele Cutolo learned that an attempt was being planned on the life of Cutolo which was to be fulfilled during his transfer to another prison. Alarmed they asked for immediate contact with General Pietro Musumeci from the subversive group "Super SISMI" who knew Cutolo. General Musumeci came to the prison accompanied by another person. During the conversation with the two Camorrists he promised to postpone the date of the transfer--March 2, in return for a small service. The service was to convince Agca, whom they already knew and whom they aided with food and clothes, to cooperate with "Super SISMI." General Musumeci proposed for Agca to sign a declaration in this sense. They went together to the cell of the Turkish terrorist and set forth the proposal before him. He agreed to cooperate. Pandico and Cutolo remained in touch with Agca through the prison's priest Mariano Santini who kept them informed of Agca's intentions. From the priest they learned that Musumeci had visited Agca for a second time accompanied by the other "super SISMI" agent Franceso Pazienza.

In the course of the interrogation it became clear that at first the two Camorrists contacted Agca and rendered him material aid because they planned to use him later as a hired killer in their service in the prison. It was specified that as early as the night conversation in the prison Musumeci had said that Agca should be convinced to accuse the Bulgarians and the Russians of complicity in the attempt on the life of the Pope.

"We," Pandico said, "were only interested in the postponement of Cutolo's transfer so that he would not get killed and therefore we said "what do we care about the Bulgarians, we agree to convince Agca."

In a few days the two of them went to Agca's cell again in order to strengthen his intention of fulfilling the promise he had given to Musumeci. Pandico was left with the impression that General Musumeci had already made attempts to get in touch with Agca.

Tomorrow the interrogation of Pandico will continue.

The morning session was devoted to the interrogation of Sabato Mvatrone, who worked as a person in charge of the flights of the Turkish Airways in Rome. Notwithstanding the numerous and repeated questions of the presiding judge, Sabato Matrone said that he had never heard the Bulgarian national talk English and that the two of them had communicated in Italian whenever it was necessary.

The Turkish journalist Ugur Mumcu was also interrogated and confronted with the defendant Musa Serdar Celebi. The confrontation turned into a monotonous listing of statements but both Agca and Mumcu adhered to their own stands. Excerpts from the evidence Mumcu gave before the Investigating Magistrate were read. He was questioned about Agca's contacts with the other Turks whose names were mentioned at the trial. The witness confessed that he had obtained most of his information from the press or from other trials which had taken place in Turkey.

Anniversary of Antonov Arrest Noted

AU302140 [Editorial Report] Sofia RABOTNICHESKO DELO in Bulgarian on 26 November 1985 carries on page 4, about 3,000 words of materials on the third anniversary of Sergey Antonov's arrest in Rome, under the headline: "In Contradiction to Humanitarianism and Justice." The materials include an introductory editorial note entitled: "Justice Must Be Triumphant" in which the arrest of an "innocent man" on 25 November 1982 is described as provoked by an "avalanche of monstrous slanders." The editorial note goes on to say that the "accusation against Antonov is maintained with amazing stubbornness" although it has "no factual support whatsoever" and stressed that the trial in Rome has become "an unprecedented campaign of slanders against the People's Republic of Bulgaria and the other socialist countries." Describing how all "alleged proofs" are collapsing one after the other at the trial, the editorial note adds that "the poisonous arrow of disinformation were aimed always in the direction desired by the most reactionary Western circles."

The editorial note stresses that the accusations against Antonov and the other Bulgarian citizens are "based on the lies of an arrogant terrorist" although "millions of people are already aware of the authors of this slanderous version and of their motivations." The editorial note closes with the following sentence: "The Bulgarian public is confident that justice will be triumphant in the end and this confidence is based on the full innocence of the Bulgarian citizens, with the Italian court is obliged to confirm."

The editorial noted is followed by a report signed by Dimitur Trifonov and entitled: "Hopes That the Truth Will Be Victorious" describing a young people's meeting at the "Lilyana Dimitrova" youth club in Sofia at which the anniversary of Antonov's arrest was marked, and a political discussion at the "meridian" youth club also in Sofia, which was attended by members of the national Antonov Defense Committee. A documentary film of the BCC on the Antonov case was shown at this meeting, which was followed by a discussion. According to Trifonov the film's title was "Bulgarian Fantash" and it is attributed to [Christopher Hurd]. The meeting was also attended by Antonov's mother and brother.

BTA reports from Moscow, Nicosia, and Prague under the headline: "Freedom for Sergey Antonov" are also included in the page, describing press reaction in those countries on the third anniversary of Antonov's arrest, as well as activities of the local defense committees and a letter of the WFTU from the headquarters of this organization in Prague to Italian Premier Bettino Craxi, pleading for the release of Antonov," who is a member of the Bulgarian Trade Union of Transportation Workers."

The last item on the same page is a 1,200-word article by Geno Georgiev, entitled: "Justice and Politics" with the subtitle: "Constitutional Guarantees of the Italian Magistrate and Their Present-day 'Interpretation.'"

The article refers to Italian constitutional law as regards questions of procedure in law courts, including the principle of the irreplaceability of judges as well as regarding the questions of the Italian courts' "independence" and "autonomous character." The author adds that this is an "extremely sensitive subject for the Italian public, due to numerous negative social phenomena." Geno Georgiev then describes the well-known cases of the Masonic Lodge's involvement with the mafia, and other cases of corruption in Italian public life, acts of terrorism and assassinations of public figures. The article closes with the following passage:

"These are the realities of today. The widespread organized crime and terrorism in Italy are frequently connected with the protection of highly placed, administrative, judicial, and political circles, which is confirmed by examples, showing that in the contemporary bourgeois state the judicial system is nothing but a lever of bourgeois power."

The aforementioned article does not refer to the Antonov case and to the Rome trial specifically.

Antonov Trial Reported

AU071548 Sofia BTA in English 2349 GMT 6 Dec 85

[Text] Rome, December 6 (BTA correspondent)--The visit of representatives of the two Italian secret services SISMI in the "Ascoli Piceno" prison during the end of December 1981, their talks with the terrorist, had been nothing else but a favour to the investigation. At least, this was the explanation of the ex-director of SISMI (Italian Ministry Intelligence Service) General Nino Lugaresi, at today's session of the Roman Court on the trial on the assassination attempt against the Pope.

If we want to keep the chronology, first, we must represent the evidence of another high ranking official in the secret services--Emanuele de Francesco, ex-director of SISDE (Secret Service for Intelligence and Democratic Security With the Ministry of the Interior). The explanations which were given by Emanuele de Francesco are as follows: On November 4, 1981, a letter had come in the Ministry of Internal Affairs (later General Lugaresi specified that the letter had been sent by the director of the police). The letter requested each of the two services--SISMI and SISDE, to send one of their representatives in "Ascoli Piceno" prison, because the convicted Turkish terrorist Mehmet Ali Agca had wanted to speak and make some new revelations.

Both witnesses stated, one after the other, that this step had been undertaken by the Ministry of Internal Affairs, because of a request by the investigating authorities.

General Lugaresi, who after the tremors caused by the revelations for participation of some of his high ranking officials in the conspiratorial lodge P-2, had been concerned with the setting in order of the secret services within the frameworks on the constitutional principles, in the beginning had hesitated to carry out this request. By the way, it contradicts with the stipulation of the law that noone, except the investigating authorities, has the right to contact with a prisoner sentenced to life. But the then-minister of the interior had personally called the general and persuaded him to help in this case, because this had been a request of Agca.

Too much unconvincing were the statements of the two witnesses, that the aim of their visit had been to check the measures for security and along with that to speak with Agca. What security measures? Emanuele de Francesco surrendered to pressure and said that the problem of security had nothing to do with their services. And what is more, both witnesses had explicitly pointed out that they had been invited to speak with Agca and not to check the doorlock of his cell. This invented preliminary explanation for the presence of representatives of the secret services in the prison, left a very unpleasant impression.

Sergey Antonov's counsel for the defence Consolo, insisted on an explanation of the fact: Why in the report, given by the two secret service men to the investigating authorities, they speak about "talks," and not as it is maintained at present, only for one talk on December 29, 1981. The witnesses said that the talk had been only one, but very long, and because it had been led from the name of the two services, it had been mentioned as "talks" in the report.

Very interesting is the question which was put to Emanuele de Francesco, whether he had given any directions to Luigi Bonagura or whether he had empowered him to make certain promises to Agca.

The witness: I had not empowered anybody. But may be the official had promised something himself. He was a high ranking one and he knew his job."

During the interrogation of Nino Lugaresi it was found out that the talk with Agca had been carried out with the help of an interpreter in English. He also explained that General Musumeci, head of a department in SISMI (one of the leaders of the parallel secret service super-SISMI) had been removed from his post in 1981, because of his participation in the Mason Lodge P-2. The presiding Judge Santiapichi familiarized the witness with the evidence of the ex-Camorrist Giovani Pandico, that General Musumeci had visited the prison in the end of January and the beginning of February 1982, and that he had asked Agca for cooperation, i.e., to accuse the Bulgarians of complicity in the assault. He pointed out that during the other trials it had been revealed that some of the secret service men had carried out commissions of other secret services.

The ex-director of SISMI General Lugaresi, wanted to stress only that Musumeci had not acted from the name of his service. But he admitted the possibility that such activity could have been carried out by certain persons, but the official services had not been informed about that. About the visit of Musumeci he had read in the press but at that time neither Musumeci nor Pacienca, nor General Santovito (the previous director of SISMI) had worked in the official Military Intelligence Service. And once again he said: "But I do not maintain that certain people had not visited the prison. If there had been any visits in Ascoli Piceno, they had been paid by someone as a private person. Except, if somebody had not hired them for such a visit." [sentence as received]

Reasonably, the prosecutor became interested how did it happen that the secret services had not deepened their interest in the international terrorist, who had stated his intention to make "revelations."

Nino Lugaresi answered that he had been informed about the report by his employee Alessandro Petrucelli and his colleague from SISDE Luigi Bonagura, made for the investigating authorities.

"We considered that the talk had been requested by the prisoner, so that he could contact with the secret services and reach some agreement which would enable him to receive something in exchange for this cooperation.... But," said General Nino Lugaresi, "in a state like ours this cannot happen.... I estimated that the request for a talk with our services as a signal, given by the prisoner, and I was not interested in this case any more."

The presiding Judge Santiapichi detected the unusual position of the witness and asked him how had it happened that an institution, whose task is to seek a way to the truth, had blocked the way to this truth in the case of Agca. "On the basis of the report of the two secret service officials, it is not clear what were the guarantees that Agca wanted," said Santiapichi. "Your representative, also informs that during the meeting he has spoken about a reprieve or lessening of the sentence."

The witness Lugaresi admitted: "It was unnatural for our services to carry out a meeting with Agca. The investigation had to estimate the results of the talks in the prison. I cannot see what could the military secret services and the counter-espionage have in common with the work of the investigating magistrates. I remained with the impression that Agca had wanted to reveal something only after the promise that he will receive something else in exchange."

The lawyers Consolo and Rosi tried to specify whether the investigation had requested the participation of the secret services or vise versa, the secret services had requested a meeting with Agca and after that they had informed the because in the document which states the grounds for the visit to "Ascoli Piceno" it is written that the secret services had requested a visit for urgent examination of the security. The witness Lugaresi said: "The official request was sent to us by the director of the police supported by the minister of internal affairs." [as printed]

The session ended with the repeated interrogation of several witnesses in connection with the work of the custom authorities with the Bulgarian TIR truck. The custom-house officers Scalera and Alba and [words indistinct] and defended their former testimony and emphasized that on May 12, when the clearance of the imported goods had been made, and on May 13, when export custom clearance of the Bulgarian truck had been done, everything had been done in accordance with the orders of their chiefs, everything had been in accordance with the law and beyond any doubt. Only Lucchetta—representative of the financial police at the customs, provoked some doubt witn his allegations that he had also been in the Bulgarian Embassy on May 13, although the presence of the financial police during the custom clearance of goods for export is not necessary. This fact caused a prolonged interrogation which confused the witness Lucchetta completely. Exhausted he said: "Now I cannot understand any of the things that happen."

The prosecutor wanted to have all the documents related to the custom-house operations in connection with the TIR truck, so that he could peruse them in peace and take up an attitude on this question.

Maybe the presiding Judge Santiapichi was most near to the truth, when once he said with a sigh: "Maybe we create problems for ourselves with this TIR truck, which are of no importance to this trial."

Spasov Optimistic

AU051324 Sofia BTA in English 1243 GMT 5 Dec 85

[Text] Sofia, December 5 (BTA)--"The possibilities for getting at the truth are in the hands of the court," under this heading today's NORODNA ARMIYA carries an article by Professor Boris Spasov, chairman of the National Committee for Sergey Antonov.

The author points out that the progressive world public is reasonably disturbed by the course of the second trial in Rome on the assassination attempt against the Pope, which has turned into a gross political provocation against Bulgaria and other socialist countries, against peace and detente. "There are enough reasons already, for drawing the conclusion that well known and many times exposed dark centrals and specialized services of the anti-communist imperialist forces are standing behind this trial," emphasizes the renowed jurist.

In of [as received] his words Professor Spasov quotes a number of violations and deviations from the normal court procedures, starting from the very beginning to court of the three Bulgarian citizens without the necessary proof for that, from neglecting the presumption of innocence and reaching to the conspicuous biased attitude of the court in support of the groundless prosecution. "On the whole the course of the trial makes the impression that there exists a definite purposeness [as received] in the choice and usage of the evidence motivated by the created prejudice for the existence of some "Bulgarian connection" in the organization and carrying out of the attempt. At the same time the court disregards the really existing tracks, which lead to certain centrals of the imperialist ideological subversion and to special services and countries of NATO, stresses Prof. Boris Spasov.

The lack of whatever damning evidence against the three Bulgarians, the fading of the clues upon which the trial has been built, and the real denouncing of Agca's version of the so-called "Bulgarian connection" in the attempt, make Prof. Boris Spasov believe, that the trial in Rome will end with the exculpation of the three Bulgarian citizens. "But this optimism, based on the conviction and knowledge about the innocence of the Bulgarian citizens, should be wareliy [as received] in spite of everything, because this trial is not based on jurist motives and reasons, but mainly on political grounds," stresses Professor Spasov. Just because of these reasons and because of the expectations for near completion of the trial he stresses the necessity for stirring the conscience of the public in Italy and the other non-socialist countries, for finding out the truth. And it is only one, namely that no Bulgarian citizens, no Bulgarian services or services of any other socialist country, has taken part in the attempt.

"It is this truth that has to be discovered," concludes Prof. Spasov. "The possibilities for this exist and they are in the hands of the court. The court has only to fulfill its functions because they are envisaged by the Italian law."

Trial Continues

AU301432 Sofia BTA in English 2145 GMT 29 Nov 85

[Text] Rome, November 29 (BTA Spec. Corr. Mira Todorova and BTA corr. Khristo Petrov)--The atmosphere on today's hearing of the Rome criminal court was strained by a sudden mini-accusatory speech made by Prosecutor Antonio Marini and the response of Sergey Antonov's Council for the Defence Prof. Guiseppe Consolo.

Putting forth a request for a confrontation between the two customs officials who were interrogated yesterday and the witness Tsvetana Blagoeva-Biagioni, the prosecutor became so carried away with his argumentation that he began an open accusatory speech against the witnesses who prove Antonov's and Ayvazov's alibi.

In order to ground his thesis he allowed himself to manipulate "freely" with the evidence given by the witnesses which led to its total misrepresentation.

Here we would like to note that from the beginning of the trial to the present day in their interrogations of witnesses proving the innocence of the Bulgarian nations the judge and the prosecutor have concentrated on totally insignificant details, and were mainly preoccupied with the time of the events. They demanded from the witnesses not only the year, month, date and hour but also the minute of events which have taken place two years prior to the first interrogations of the investigating magistrate and almost five years prior to the trial. What is the reason for this clinging to details which can easily fade away in the minds of the witnesses? What is more, as one of the witnesses put it "if I had known that I would be interrogated at a trial I would have entered a detailed record of the events which took place during these days in a note book."

This resentment shown to the testimony of all witnesses proving the alibi and hence the innocence of the Bulgarian defendants can have only one explanation--the total absence of incriminating facts, of materially documented data pointing to the guilt of the Bulgarians.

Antonov's counsel for the defense could not pass this manoeuvre of the prosecution in silence. Point by point he disproved the allegations of the prosecutor about the untrustworthiness of the evidence given by Sergey Antonov and by some of his witnesses. The counsel for the defence stressed that Sergey Antonov had called the investigating magistrate to tell him that he had remembered that his wife had left Rome before May 13, 1981 and that this had happened at a regular interrogation. To the contrary, Agca has asked for a special meeting with the investigating magistrate in order to confess that his initial evidence about Rositsa Antonova was not true and that he had never seen her. The lawyer appealed to the prosecutor to adhere to the procedural reality and not to contend that Mrs Svetla Parizi had said that Rositsa was present at the Ballan Airways office on the day of the attempt when she had actually stated the opposite. Not to contend that Mr. Parizi had said that Rositas was present when he had stated the opposite.

"I can well understand the difficulties of the prosecutor," Antonov's counsel for the defence said. "Because the supporting of an accusation which is as empty as a balloon requires great efforts. But I would like to ask him to read the documentation on this case and not to make statements without having read it. And I would also like to ask him to quote the facts and documents accurately and not to assert things which, alas, do not correspond to the truth."

The interrogations of the new witnesses today concentrated on some of the circumstances around the bicycle shipment made by the Bulgarian Embassy on May 11, 1981 in order to determine the hours during which Todor Ayvazov was busy on that day. One of the witnesses, the Italian customs official Maurizio Luchetta, said that he had seen Ayvazov at the customs on May 12 and that he had driven him to the embassy in his own car.

The remaining two hours of the morning session were devoted to the interrogation of Ali Batman, president of the so-called Federation of Turkish Idealists and its vice-president at the time of the attempt. In the long but more or less fruitless interrogation, the presiding judge tried to determine whether the witness knew Agca and other rightist Turkish activists. Batman confessed that he knew Celebi and Catli. He had worked with them in Turkey, he had met them later in Vienna before the attempt and he had spoken with them over the phone after the attempt. Catli had assured him that the reports in the newspapers, namely that he had provided Agca with a false passport and with a gun were not true. He had assured him that it was not true that they were connected with the Bulgarians. Since a number of moments of interest to the court and the prosecutor remained unclarified and contradict the evidence of other witnesses the interrogation of Batman will continue.

After today's hearing the number of witnesses who have given evidence before the court in Rome has amounted to 54 people. Yet another seven witnesses have been interrogated abroad. New witnesses will be interrogated on December 2, 3 and 4.

The interrogation of the Camorrist Giovani Pandico is awaited with great interest. In the interview he gave for the L'ESPRESSO weekly in June, Giovani Pandico said that Agca was visited in the Ascoli Piceno prison by leaders of the subversive group "Super Sismi" who had given him the script for the "Bulgarian Connection." Whether the court will summon the two "Super Sismi" agents General Pietro Musumeci and Francesco Pazienza as witnesses will depend on the results of this interrogation.

Rome Trial, Evidence on Bulgarian Truck

AU021940 Sofia BTA in English 1906 GMT 2 Dec 85

[Text] Rome, December 2 (BTA correspondent)--At today's session of the court several witnesses were interrogated. Some of them described the apartment of Todor Ayvazov in Rome, others spoke about their acquaintance with Major Zhelvo Vasilev.

The witness Katya Vasileva Gyoreva, conscierge in the block of flats of the Bulgarian Embassy, explained that Ayvazov had not had a telephone in his apartment and that if someone had called him from outside he had to go and speak from another telephone.

The witness Anna d'Arbeloff Guerrieri, theatrical agent, confirmed the fact that on May 13, 1981, there had been a press conference and a cocktail party of the Bulgarian Embassy.

All these facts, by the way, were irrefutable. The atmosphere changed when four witnesses were called for confrontation together. The question which had to be resolved was: Was Todor Ayvazov engaged on May 12 and May 13, 1981, with the custom clearance of the Bulgarian TIR truck, which transported spirits for the Bulgarian embassies in some European capitals, in connection with the celebration of 1300th anniversary of Bulgaria? (We remind that the dates are very important because on May 13th was the assassination attempt against the life of the Pope, and on May 12th there had been a reconnaissance of St. Peter's Square as Agca alleges, and according to him Ayvazov allegedly had taken part in it.

The Bulgarian TIR truck once again has come to the fore. It, according to the allegations of the Turkish terrorist, had to take him and his accomplices out of Italy.

Both the court and the investigation had tried to make clear the circumstances in connection with the truck during the two days in May, 1981. The first confused answers, the first discrepancy in the evidence of one and the same witness showed up in the court room.

While the confronted Albarano and Scalera, as well as the witness Tsvetana Blagoeva, maintained the evidence they had given up till now, the witness Lucchetta from the financial police of the customs, started to change his evidence, adding some things which had come to his mind.

We must explain that as early as the very beginning of the interrogation Lucchetta was worried and frightened. During the interrogation he said that he had been "crushed physically and mentally" as early as the time of the interrogation of the investigating magistrate Martella, when Martella had ordered his one day arrest (without any grounds, as the counsel for the defense Consolo interjected). Now, obviously with disordered nerves, Lucchetta answers to the questions of the presiding judge and the prosecutor, at one moment one thing, at another moment other thing, sometimes almost incoherently.

In the middle of the confrontation he was taken ill and received medical aid during the break. As a non-commissioned officer of the financial police, it seems that Lucchetta feels humiliated from this interrogation, which he thinks is discrediting him. Hevertheless the [as received] all comes to the following:

Albarano and Scalera confirm that Todor Ayvazov has called them to make the custom clearance of the Bulgarian TIR truck at the Bulgarian Embassy on May 12, 1985 [as received], and they have been there.

They state that the Bulgarian Embassy have wanted the truck to be loaded immediately, the proceedings for export to be made, the truck to be stamped and to depart as early as May 12. But this could not happen without the orders of their chiefs and the proceedings had been postponed for the next day. Both did not deny the possibility that Blagoeva may have been there, but they did not remember whether she had accompanied Ayvazov at the custom house.

The representative of the financial police Lucchetta on the other hand remembers for Bloagoeva now, remembers the tickets for petrol which she has given to Ayvazov to offer to him because they travelled with his personal car. (During the investigation he has forgotten these facts.) He explains that the other two custom house officers have not seen or paid attention to Blagoeva because they have travelled in the mini-bus of the embassy, and Ayvazov and Blagoeva--in his car. And because Lucchetta revealed these facts only now, and not before the investigating judge, the presiding judge and the prosecutor started a pressing interrogation, even sometimes almost threatened him.

"I don't like to detain people," said the presiding judge: "But you are still holding your office, aren't you? So you must make the necessary conclusions..."

Suddenly, after the break, Lucchetta started to put in new "facts" into his evidence. He alleged that he had gone to the embassy on May 13 also, while up till now he had said that he had been there only on May 12, because it is not necessary for an officer of the financial police to be present when there is an export of goods. Then he said that he had gone to customs clear a truck [as printed] in the Bulgarian Embassy, once again after a week, and then once more. These are facts which could not be accepted by the court, because it has been established for sure that no other trucks have come neither during that month, nor during the next months. It is evident that the witness was utterly confused by the cross examinations, that his psyche is unstable, and confused by the threatening tone of the judges.

The witness started to maintain that on May 13, when he had gone to the embassy the TIR had not been there, and there had been another truck with awning. On the whole--a complete confusion of images and remembrances. However, the two other custom house officers confirmed that Lucchetta had not been in the Bulgarian Embassy on May 13, and that the TIR truck had been on his place customs cleared for export and stamped.

Press Comments on Antonov Trial

AU091730 Sofia BTA in English 1512 GMT 9 Dec 85

[Text] Sofia, December 9 (BTA)--Today's papers carry a number of materials analysing various aspects of the so-called "Antonov Trial." In an interview for KOOPERATINO SELO academician Vladimir Kudryavtsev, director of the Soviet Institute for State and Law, says that there is not another precedent in which a foreign citizen to have been kept in custody for such a long time before the very trial, as well as during the trial itself. The interviewed explains the long detention of the Bulgarian citizen Sergey Antonov in the following way: On one hand this is an attempt for keeping the public in suspense for a longer time, aiming at warming up the anti-socialist and anti-communist feelings in Italy, as well as in the other Western countries. On the other hand, the organizers of the court room farce were not able to find any evidence whatsoever, for any blame of the Bulgarian citizen. "In [as printed] think that if they had any clues whatsoever, there would not have been any prolonging of the trial," says Vladimir Kudryavtsev. He points out that the organizers of the provocation are in a complicated situation, because to sentence anyone without any evidence is difficult for technical reasons, and from jurist point of view it is completely impossible.

Academician Vladimir Kudryavtsev sees biased attitude in the actions of the Italian justice. Facts: First the very attitude towards Sergey Antonov, which is a gross violation of human rights and the internationally acknowledged legal norms. Second--there is nothing to prove that the Italian justice is striving to reveal the truth about the attempt on the pope's life and the authors of the "Bulgarian Connection." The interview stresses that Sergey Antonov has been charged as a terrorist, with the sole aim to present him to the public as a dangerous criminal, who should not be released on bail or permitted to return to his motherland.

Academician Vladimir Kudryavtsev marked the attempts of the Italian justice to put Antonov on the same footing with Agca, to place Antonov on the same level with Agca, which should mean that the Bulgarian is as dangerous criminal as Agca. According to the distinguished Soviet jurist such actions can be explained only as a biased attitude and unprecedented committing of outrages over a foreign citizen.

The interviewed compared the situation of Antonov to that of hostages kidnapped by terrorists. Why? Because he is being forced to give evidence, which would have been a slander against his own country. In exchange he has been promised that his situation will be relieved. "The only difference lies in the fact that in this case the hostage has official character," stresses academician Vladimir Kudryavtsev.

The director of the Institute for State and Law with the Soviet Academy of Science, thinks that the international public should be informed extensively on the trial in Rome, because there are certain attempts at present, which try to conceal the real facts, to distort the actual situation, to deceive the public in Italy and in the whole world, so that in the end it might become possible to sentence Antonov.

In the same newspaper the chairman of the Soviet National Defence Committee for Sergey Antonov, Vladimir Karpov, editor in chief of the literary magazine NOVY MIR, stressed that the development of the trial in Rome up till now is a proof for the inobjective attitude of the Italian justice towards the trial. It has become apparent that the aim of the trial is to give jurist and moral "justification" of the malicious fabrication for the inexisting complicity of the socialist countries in international terrorism.

RABOTNICHESKO DELO dwells on the recent moments in the course of the trial in Rome. The testimony of the Camorrist Ghiovanni Pandico is commented firstly: The article stresses the strange behaviour of the Italian justice, prone to believe him when he speaks about the crimes of the "underworld" in the country (this is proved by the fact that with his cooperation dozens of Camorrists have been sent to prison), and prone not to believe him when it comes to the coaching of Agca in prison. Stefan Bildireva, special correspondent of the newspaper in Rome, asks: if Giovanni Pandico is untrustworthy to such an extent, should we have had the possibility to experience the doubtful pleasure to hear the testimony of so many "selected" personalities, among them the ex-directors of SISMI and SISDE, General Nino Lugaresi and Emanuele de Francesco, General Musumeci, the Camorrist Giovanni Senzani, the priest Santini, etc.

The article stresses that during the past week the shadow of suspicion once again fell over the "renovated and clarified" Italian secret services. There emerged the announcement that for three years now, SISMI has been keeping under surveil [as received] Licio Gelly, chief of the Mason Lodge P-2, and that the intelligence knows where he is at the moment. Of course certain questions appeared: Why, when the secret service knows where Gelly is hiding, it has not informed the government, and why this highly wanted criminal is still free? The comment reminds about the commission of the member of the Parliament Tina Anselmi, which has been completed 17 months ago. It is strange why the debates in connection with this commission, which is related to the Mason Lodge P-2, have been continuously delayed. Reasonably, these facts make a number of politicians to think that the people of Gelly continue to be very influential even today.

From the two facts that were mentioned it becomes clear that the allegations of General Lugaresi about purified secret services and about the impossibility of the fact that some of his people have participated in the coaching of Agca, seem very suspicious. Does his allegation that since the beginning of 1982 General Musumeci has already been private person, exclude the possibility that he still had influence and connections with powerful people? Is it really impossible for Musumeci and Pazienza to have been visiting the prison?

The comment also marks the willingness of Pazienza to testify and the unwillingness of the court to hear him. The jury made a number of rogatory commissions outside Italy but refrained itself from crossing the ocean. Why haven't the court interrogated a witness of so great an importance, who evidently knows too much? [phrase indistinct], who has already proved his biased attitude? The article makes the supposition that somebody in Rome is afraid that Pazienza may say something, which would disturb somebody.

Stefana Bildireva stresses the change of the speed in the course of the trial. While up to now they've always said that "there is time," suddenly they accelerated their speed in Foro Italico. "Is this speed not suspicious, isn't it possible that in the tumult the truth and justice may pass each other?" asks the newspaper's correspondent.

Christo Petrov, BTA correspondent to Rome, comments in POGLED on the testimony of the representatives of the Italian secret services Dr. Luigi Bonagura from SISDE, and Major Alessandro Petruccelli from SISMI, which has been given in camera. He pays special attention to the report that they had made on their meeting with Agca, which had taken place on December 29, 1981. Khristo Petrov marks that the report discloses the following: At that time Agca has not said even a word about "Bulgarian Connection," and what is more he has already been interrogated by the Investigating Judge Martella--on December 1 and December 12, 1981. Second: the telephone number that has been indicated by Agca, is not a mystery but it is the telephone number of Hotel "Vitosha." Third: Invention is the place of the meeting (East Berlin) with the person Semioglu, because the passport of the assailant, issued in the name of Faruk Ozgun, doesn't carry a stamp attesting to his stay in the GDR, and in this case the visa is obligatory. Fourth: The Italian investigation has not done anything for the identification of the persons Enriko Fenci and Sergio, with whom Agca, according to his own allegations, has been in contact, he has taken money from the former, and sought cooperation for procuring gun from the latter. Fifth: Categorically Agca states that in the days before May 13, he has not had any significant meetings in Rome. "It were these days, [as printed] in which later on, Agca would insert the slanders about Antonov, Vasilev and Ayvazov," stresses Khristo Petrov.

BTA's correspondent thinks that the report of the two secret service agents has only searched for a basis for the development of the scenario. After that the Camorra helps General Musumeci, member of P-2, to enter the cell of Agca. As it was confirmed by Giovanni Pandico, during that visit the Turkish terrorist has signed the documents which have been presented to him by Musumeci. In this way the foundations of the "Bulgarian Connection" have been laid. Then several months of machinations pass, and in the beginning of October [word indistinct] Agca starts, for the first time, to mention the invented "aliases" of the three Bulgarian citizens.

General Musumeci Interrogated

AU110928 Sofia BTA in English 2238 GMT 10 Dec 85

[Text] Rome, December 10 (BTA correspondent)--There was nobody to expect anything more: all of us were convinced that General Musumeci, ex-high ranking official from the Italian secret services, and Mario Santini, ex-priest in the Oscoili Piceno prison, [phrase indistinct] sentence, both would deny the revelations which were made by the wisness Giovanni Pandico.

With his rich experience in uncovering and covering of conspiratorial activity--40 years of service in SISMI, General Pietro Musumeci, ex-head of the department for security and control, answered sharply and flatly with "no." He was not trying to back his denial with arguments. It was clear, however, that he had decided firmly not to permit to be engaged in another affair, after his recent conviction. At present he is serving a long sentence in the military prison, for his participation in the conspiratorial lodge P-2.

At the beginning of the interrogation the presiding judge stated the accusations of the ex-Camorrist Giovanni Pandico against him, namely that he had visited "Ascoli Piceno" prison and that he had recruited [word indistinct] Ali Agca for cooperation and construction of the provocation against Bulgaria.

General Musumeci said that he had not visited the prison, in which Agca had stayed and that he had not met with him. What is more allegedly he had never visited the town of Ascoli Piceno.

At this point the presiding judge, holding a document in his hand, reminded Musumeci about a report of the Carabinieri from "Ascoli Piceno." The report says that one of the Warrant officers on duty had stopped for control on February 3, 1982, a car and the man who had been in it, had showed to him an official card and stated that he had been General Musumeci from SISMI.

Pietro Musumeci, who was not interrogated today as a witness, i.e., he did not take an oath, but as a defendant in another trial, denied all this. Because the fact is with exceptional importance, the judge ordered that the warrant officer would be found and summoned before the court, and the report of the carabinieni from "Ascoli Piceno" should be added to the documents of the trial.

Even more energetically the general denied to have met with Agca and to have visited him in the prison. He also maintained that he had not been informed that representative of their service had visited Agca, together with a SISDE agent, in December 1981. He explained that this had been carried out by another department of SISMI. The only admission which he made, although reluctantly and rather incompletely, was that he had known the famous agent of the secret services Franceso Pazienza. Allegedly he had been presented to him by the then-director of SISMI General Santovito, as his "collaborator," very intelligent but "a little impudent." Santovito had made Musumeci keep him under surveil and "keep him in check," and because, according to the witness, Pazienza had acted under the direct order of SISMI's director, no one else had known where he had been sent and what he had been doing. He had been the "confidential man" of the chief and as such, he had almost been inviolable.

A bit more conciliatory, but also especially cautious about his words, was the next witness Father Saverio, unfrocked and convicted in the trial in Naples against the new organized Camorra under his non-clerical name Mariano Santini. According to the evidence of the ex-Camorrist Pandico, who had decided to cooperate with justice, the priest had served as the connection between him and the chief of the Camorrists Rafaele Cutolo on the one hand, and Agca, who had been isolated, on the other. He had visited Agca frequently in his cell and taught him Italian.

It is true, said the priest, that he had known Cutolo and Pandico and that he had done them some favours. But his relations with Agca had been of a purely humanitarian character. He could not explain why, when moved by the fact that Agca had been without warm clothes for the winter, he had not informed the director of the prison or other official authority about that, but had informed exactly Cutolo, who ordered a new jacket to be bought for Agca.

The intention of the ex-priest had only been to console Agca, but the Turkish terrorist had not known Italian, that is why they had spoken with the help of gestures. Santini did not know how the religious books had appeared in Agca's cell, because he had brought to him only one dictionary, old English newspapers and detective novels.

The presiding judge who wanted to juxtapose the evidence of Pandico and Santini, interrogated him in detail about the cell of Agca, about his clothes, etc. He also asked whether Agca and not said anything about his reasons for shooting at the Pope.

It appeared that the priest who had visited the terrorist in the course of more than a year, at least two times a week, had never asked anything about the assassination attempt.

The ex-priest of the prison alleged that he did not know about anybody to have visited Agca in his cell. But after a question of the counsel for the defence Consolo, he suddenly remembered that he had brought to Agca's cell the Bishop of Ascoli Piceno who had presented the terrorist with a tiny crucifix.

Further on he remembered that together with the director they had visited Agca to persuade him to stop his hunger strike, which he had started near the end of 1981. But he himself did not know why he had started this strike.

"How come that you don't know," the presiding judge interrupted him. "Even the newspapers wrote that probably it has been a sign for warning of some of his accomplices."

The priest refused to go in such details.

Among other things, however, without meaning to, indirectly he confirmed the evidence of Pandico that the cook of the prison, who had sent a cable to the court stating that Pandico lies, this cook, had not prepared the food for Agca and had not any contact with him.

Lastly came the confession of the witness that Senzani, one of the leaders of the "Red Brigades," had been in the prison at that time and that he had seen him talking with Agca.

Judges Probe Pandico's Assertions

PM111131 Rome LA REPUBBLICA in Italian 5 Dec 85 p 12

[Franco Scottoni report: "Agca Trial Judges Summon Musumeci and Associates"]

[Text] Rome--The Assize Court has decided to investigate thoroughly the disclosures made by Camorra "Convert" Giovanni Pandico, according to whom General Pietro Musumeci advised Ali Agca to cite the Bulgarians as organizers of the attack on the Pope. The court has decided to summon to the 11 and 12 December hearing General Musumeci; Marshal Guarracino, chief warden at Ascoli Piceno Prison; Chaplain Mariano Santini; Brigadier Di Sabato; and prison governor Cosimo Giordano. Any confrontation between Pandico and the persons the former Camorra member has implicated has been ruled out.

The second round of the Pandico-Agca fight that was expected yesterday failed to materialize because the Turkish gunman refused to return to the Foro Italico courtroom. So it was left to Judge Santiapichi and prosecuting Attorney Marini to challenge the former Camorra member's assertions. Pandico, a key figure in the fight against the Camorra and deemed reliable by Neapolitan magistrates during preliminary investigations into, and the huge trial against, Tortora and about 100 other Camorra members, tried to defend himself to avoid appearing to be a slanderer.

On the whole the former right-hand-man to Camorra boss Cutolo emerged successfully from the barrage of questions, but some of his answers left the judges doubtful. Having repeated several times that it was General Musumeci who "steered" Agca, Pandico was unable to provide exhaustive answers as to what reasons promoted him to talk about this episode only after the start of the trial in the Foro Italico courtroom. Moreover, the former Camorra member was confused about the date of the meeting between General Musumeci and Agca at Ascoli Picano prison.

Nevertheless his testimony proved convincing mainly because of his descriptions of what went on inside the Marches prison. It seems clear that Agca's isolation in the top security prison was only apparent. Camorra members were free to wander undisturbed around the various wings with the help of the chief warden and chaplain Mariano Santini--both convicted in Naples of membership of the Camorra. So the theory that Ali Agca could have been "prompted" from outside--a theory rejected by investigating judge Ilario Martella--now seems more credible than before.

The secret services' visits to Agca at Ascoli Piceno prison were discussed in the afternoon hearing too. Evidence was heard from Intelligence and Democratic Security Service and Military Intelligence and Security Service officials Bonaguara and Petruccelli, who contacted Agca at the end of December 1981. Their statements were made in camera, that is, in the presence only of the court and of the defense attorneys. During pretrial questioning the two agents said that the decision to visit Agca was taken jointly by both secret services. The Turkish gunman claimed at that time to have carried out the attack on the pope on his own and on the subject of friends in Italy named a certain Fenzi, a figure who had not appeared during the trial, however. Trade unionists Paola Elia and Luigi Scricciolo will be examined today in connection with the alleged attack on Solidarity leader Lech Walesa.

Yesterday investigating judge Martella questioned Mario Ilario Ponzi, the fantasist who apparently wrote letters about the Emanuela Orlandi kidnapping under the guise of the "Turkes Anti-Christian Front." Ponzi apparently admitted to sending just one letter to the ANSA office Milan and said he did not know who could have sent the other communiques. He was charged with issuing false and tendentious information.

Defense Committee Comment

AU101533 Sofia BTA in English 1448 GMT 10 Dec 85

["Deals With Bourgeois Justice"--BTA headline]

[Text] Sofia, December 10 (BTA)--The fixing of the trial of the Bulgarian citizens charged with complicity in the attempt on the life of the head of the Roman Catholic Church is a typical example of a deal with bourgeois justice, writes in RABOTNICHESKO DELO the Bulgarian jurist Assoc. Prof. Kostadin Kochev, secretary of the National Committee in Defence of Sergey Antonov.

Mr.Kostadin Kochev has come out with this article in connection with the international human rights day. In it he examines the so-called deals with justice, a characteristic feature of the legal systems of almost all Western states.

The implementation of the plot on the so-called "Bulgarian Connection" and the unparalleled antisocialist propaganda campaign are the results of such a criminal deal between the murderer-provocator Mehmet Ali Agca on the one hand and the representatives of the secret services and the magistrature, on the other," writes the Bulgarian jurist.

The Bulgarian jurist supports this conclusion by enumerating some of the evidence, that proves beyond doubt the existence of such a deal. This is for example the meetings between Petrucelli and Bonagura, representatives of the Italian secret services, and Agca, held in December 1981 at which they had discussed "pardon or the shortening of the imprisonment term of the assailant:

--Agca's statement made before his defence counsel Pietropalo on February 2 1982, according to which "the services had promised him to stay in prison for ten years at the most if he talks."

--Investigating Magistrate Martella's reply to Agca's question in respect to the shortening of his prison sentence: "A new law for repentant criminals is expected to be adopted soon. Who knows, maybe there will be a paragraph in it that would concern you as well."

—The indictment in which Martella has stated on several occasions that Agca "is trading with the truth." "One can suspect," writes Martella, "that Agca has assumed that he could derive certain profits as far as his 'status liberatis' is concerned, by fabricating the charges, which involve the political regime of the country, whose nationals are the persons, charges with complicity. These are charges whose destabilizing effect could be to the benefit or at least in the interest of the present political and ideological order in the Italian state and the alliances of which it is member."

—The evidence of the witness Abdullah Catli, who said before the Roman court that the West-German secret services had offered to him the sum of 200,000 up to 500,000 dollars, if he confirmed the allegations of Agca and perjure himself against the Bulgarians.

—The Evidence of the witness Giovanni Pandico, who at a confrontation with Agca on December 3, said to him: "You are a slanderer. You know very well that you concluded a deal in Ascoli Picheno with us, Kutolo and his ilk and Musumeci."

—The endless lies, contradictions, retractions and corrections which have been established in the evidence of Agca on concrete questions, and his repetition of the general thesis that "the Bulgarians are guilty."

—The indirect confession of Agca about the deal he had concluded, when he reached to the doorstep of the truth, saying before the court at a confrontation: "Stop it, I cannot say in public that I have lied, till now."

Kostadin Kochev stresses that the conclusion of a deal with the bourgeois justice to a great extent makes the things easier for the court itself, that is why we should not be surprised by the stunning fact, that the Roman court have not paid attention to the greater part of the formal charges, as if they do not exist and as if they have been proved in advance.

The counsels for the defence of Sergey Antonov, continues the Bulgarian jurist, although they do not carry the burden of proof, many times in the course of the trial have pointed out concrete facts which confirmed that Agca has been manipulated and [word indistinct]. However, they are not in the condition, and that is not necessary, to prove all the circumstances and facts related to the deal with Agca.

Stressing the obligations of the court to gather, check and investigate all the proofs, and if some doubtful or unclarified circumstances remain, to estimate them as such in support of the thesis of the defence, associate professor Kostadin Kochev, expresses serious concern over the bourgeoisie justice, which more and more abandons its classical principles by emptying them of their democratic content.

Defense Committee Issues Declaration

AU102015 Sofia BTA in English 1950 GMT 10 Dec 85

["Declaration of the National Defence Committee for Sergey Antonov"--BTA headline]

[Text] Sofia, December 10 (BTA)--The National Defence Committee for Sergey Antonov has published a declaration which says:

The second trial in Rome on the assassination attempt against the pope, in which the Bulgarian citizens Sergey Antonov, Todor Ayvazov and Zhelyu Vasilev are defendants, is in its final stage. During the whole period of the preliminary inquest and then during the judicial inquiry, not a single proof has been found which may incriminate the accused Bulgarian nationals or any Bulgarian services, in complicity in the attempt on the pope's life. Every effort of the investigating judge, the Prosecution and the court in this trial, for finding in the criminal world or in any other place whatsoever, confirmation of the slanders of the terrorist Mehmet Ali Agca against the Bulgarian citizens, has completely failed. What is more the evidence of the witness Giovanni Pandico, ex-Camorrist, has confirmed that Sergey Antonov and the other Bulgarian defendants are victims of a sinister anti-communist plot.

But despite everything, more than three years already, the innocent, seriously ill Segey Antonov, suffering a nervous breakdown from the unjust accusations, is still kept in custody.

Now, when to many people around the world and probably to the very court in this trial, it has become clear that there is not any "Bulgarian Connection" in the organization and implementation of the assassination attempt against Pope John-Paul II, it is a jurist and moral obligation of the competent authorities in Rome to reconsider Sergey Antonov's arrest. He must be released immediately.

On December 10, the whole world celebrates the anniversary of the adoption of the universal declaration on human rights. On this anniversary it would be a disgrace to tolerate so gross a violation of the rights and personal freedom of an innocent Bulgarian citizen, such as the groundless detention of Sergey Antonov.

New Witnesses Questioned

AU092005 Sofia BTA in English 1825 GMT 9 Dec 85

[Text] Rome, December 9 (BTA)--special correspondent)--The second pope plot trial which opened here more than six months ago is nearing its completion. The court is still hearing new witnesses. It is quite indicative that the prosecution has called off certain witnesses as their testimony is immaterial to the overall picture. Today, the court president called on the defence to give up some of their own witnesses.

Giovanni Senzani, one of the leaders of the terrorist Red Brigades organisation, failed to appear for his interrogation due in court today. Presiding Judge Santiapichi explained that Senzani is now a defendant in a trial against terrorists in Florence.

The court hear the evidence of the witness Gerardo Romano, resident at 29 Via Pola, who lives in the flat situated precisely above Sergey Antonov's flat. Called by lawyer Consolo, Mr. Romano attended an inspection of Antonov's flat several months ago. At the request of the court president, he described the flat in great detail. The significant fact he confirmed was that the living room and the bedroom in Antonov's flat are separated by a curtain and not by a sliding door as is the case with the best of the flats. This point is one of Agca's earliest stumbling blocks. Having been informed erroneously by his inspirers, Agca claimed that there was a sliding door at Antonov's. Those who have fed the information to Agca, have been familiar with some flats in the block and have been wrong in inferring that there are sliding doors in each flat.

The witness Asen Marchevski, official translator at the Bulgarian Embassy, was questioned more extensively. He has been employed in Rome since 1979 and he knows Antonov, Vasilev and Ayvazov. He knows Ayvazov better than the rest because they lived in one and the same block of flats and occupied neighbouring offices in the embassy. The witness testified that Ayvazov did not speak either English or good Italian. He said Ayvazov used to take him or some of the Italian-speaking employees when he went to the customs. This does not contradict the statements of the other witness, Mr Marchevski said, who contend that Ayvazov had a working knowledge of Italian. He could talk on some ordinary topics but could not handle the specific terminology and documents of customs inspections.

Asen Marchevski produced some details in connection with the arrival of the Bulgarian TIR truck which had brought in provisions for the celebration of the 1300th anniversary of the Bulgarian state. He described the days of May 11 and 12, 1981, as far as he could remember them, as the presiding judge was specially interested in them. Mr Marchevski spoke about the press conference on the 11th and about the reception on the 12th of May. He testified that Antonov is rather reticent and reserved, that he likes reading and takes an interest in the arts. The witness emphasized that he had never heard him speak English but that he got along with the Italian he needed in his work.

Vasilev, Ayvazov Questioning Ends

AU221649 Sofia BTA in English 2146 GMT 21 Dec 85

[Text] Sofia, December 21 (BTA --Special correspondent Alfred Krispin)--"There is an allegation which is constantly repeated, namely that I have fled from Rome when I have understood that I have been charged with complicity in the assassination attempt against the pope," said Mr. Todor Ayvazov today in his testimony before the court here. "If I have had anything to do with the assassination attempt, should I have left so carelessly my family in Rome, even then when I, according to the allegation, have had [as received] fled from Italy."

The rogatory commission filed by the Rome criminal court was completed this evening with the interrogation of Mr. Todor Ayvazov. The Bulgarian judge who presided over the session, Mr. Trendafil Danailov, ordered that the materials should be sent to the court in Rome.

As far as his supposed flight from Italy was concerned, the witness Todor Ayvazov said that since November 1982 he had been staying in Bulgaria in connection with the striking of the balance for the fiscal 1982 year. At that time he had been in charge of the financial-administrative department of the Bulgarian Embassy in Rome.

Leaving Italy on this business trip to Bulgaria, Todor Ayvazov had bought an airway ticket beforehand, and it had been for leaving and return. He had to go back to Rome on November 26, 1982. Even he had made [word order as received] a reservation for the Sofia-Rome flight, several days before that date.

About the arrest warrant issued by the investigating-magistrate Martella; he had found out at the very airport in Sofia, on November 26, a few minutes before his entering the plane. He had been informed about it by an employee of the Bulgarian Ministry of Foreign Affairs, who had come to the airport in order to warn him and who had told him that he must not leave for Rome, until the clarifying of the circumstances.

The interrogation of Todor Ayvazov, this afternoon, was focused on three points:

What had he done during the three days from May 11 and 13, 1981?

Who had been the people allowed to live in the apartments and the representative apartment of the block of flats of the Bulgarian Embassy in Rome?

What had his paticipance [as received] been in the customs clearance in connection with the loading and unloading of the famous Bulgarian TIR truck, which had been in front of the Bulgarian Embassy at that time?

Mr. Todor Ayvazov once again repeated that it was difficult for him to remember details about days which had past long time ago. But with the help of documents from the archive of the department that he headed, he managed to reproduce in detail, hour by hour, what he had done during the three days in question. It could be seen that his schedule had been filled rather dense by current work, which had been reflected in official Italian documents as well. That fact is important because Agca alleges that during these three days Ayvazov has been with him almost constantly in connection with the attempt against the pope.

As to the inhabitants of the block of flats of the Bulgarian Embassy in Rome, where, once again according to Agca's allegations, his Turkish accomplices had been accommodated in the days before the assassination attempt, Mr Todor Ayvazov said that in this block of flats only Bulgarian citizens had been allowed to lodge, and only after an explicit permit by the ambassador. Foreign citizens had never been accommodated in it.

Considerable attention was paid to the interrogation about the customs clearance of the Bulgarian TIR truck. Mr. Todor Ayvazov confirmed the facts that already had been stated, backing his words with documents and with actual descriptions, that on May 12, 1981 he had taken steps as an emergency case to the customs in Rome for the customs clearance of the cargo, which had been brought by the truck.

This had been a shipment of Bulgarian spirits drinks necessary for the celebrations of the 1300th anniversary of the foundation of Bulgaria, and the climax of the celebrations in Rome had been scheduled for May 24--the holiday of Bulgarian culture. The ambassador wanted Ayvazov to settle the unloading as early as May 12, because a cocktail party had been scheduled for the evening of that day in honor of the renowned Bulgarian opera singer Rayna Kabaivanska.

The unloading had been arranged with the Rome customs on the same day. On May 13, 1981, Todor Ayvazov once again had been in the customs, that time for an export licence of the cargo of the same TIR truck for Bulgaria. That has also been settled in the proper manner with stamped and signed documents, on which the signature of Ayvazov is clear and visible.

In the course of the interrogation conducted through the Bulgarian judge, once again it became clear, that Todor Ayvazov had not had a telephone in his home in Rome, and because of that fact it really had been impossible for Agca to call him on the telephone in his house, as the terrorist himself alleged. It was found that during his education Ayvazov had studied only a little French. It was found that he had never been able to learn to speak Italian fluently. It was found that whenever the Bulgarian Embassy had made reservations in Italian hotels, that had been done by the interpreter of the embassy.

The only thing that was not found, during the execution of this rogatory commission was the existence of any clue whatsoever, even the most conditional one, which could drop a hint about some relation of the assailant Agca with the three Bulgarian citizens.

Tonight the Italian magistrates and lawyers had to be in the Sofia opera, which performed Verdi's "Aida"--a controversial staging provoking controversial opinions among the Bulgarian musical public. That is why the session of the court had to be completed half an hour before the beginning of the performance. However, the session ended at 19:30--half an hour after the curtain had been raised in the opera.

It seems that because of the displeasure from the fact that he has missed the first act of the opera, the judge Severino Santiapichi, who presides at the second trial in Rome on the assassination attempt against the life of the pipe, has refused to express his opinion on the results of the rogatory mission in Sofia, before a BTA reporter.

Vasilev Questioning Continues

AU211537 Sofia BTA in English 1404 GMT 21 Dec 85

["Am I That Crazy?"--BTA headline]

[Text] Sofia, December 21 (BTA special correspondent Alfred Krispin)--The assailant Agca's allegations that he had met in Rome with the three Bulgarians, accused by him, does not correspond to the truth and the proofs that he is lying are to be found in Italy and have been collected by the Italian authorities who are monitoring the activities of the Bulgarian officials there, stated Lieut. Colonel Zhelyo Vasilev today.

Continuing to testify as a witness at the court session presided by the Bulgarian Judge Trendafil Danailov during the execution of a Rogatory Commission of the Rome court of Asizes, Lt. Col. Zhelyo Vasilev states: "It is an open secret that we are under constant surveillance in Rome. It is enough to point to the TV cameras mounted in front of the embassy to prove this fact."

The second day of the execution of the Rogatory Commission also included the hearing of the testimony of Todor Zhivkov, the third Bulgarian accused by Agca of being his accomplice in the plot to kill the pope. The hearing was conducted in the presence of the Italian magistrates and lawyers. Before the beginning of Yvazov's interrogation, he and Zhelyo Vasilev stood up side by side in front of the court in order to demonstrate the difference in their height.

It was established (and written in the record) that Todor Ayvazov is considerably taller than Zhelyo Vasilev. However, the assailant, who has claimed to have known both of them very well and to have met them together, has contended that Zhelyo Vasilev had been the taller of the two.

In his testimony this morning Lt. Col. Zhelyo Vasilev pointed out still other discrepancies in Agca's descriptions of him--discrepancies which proved that Agca had never seen him in person.

The famous wart on Zhelyo Vasilev's face was mentioned. According to Martella this wart had not been visible on the photograph, but Agca had described it precisely. The witness presented photographs, the same he had presented to the Italian authorities, when he had applied for a visa to Italy, and later on when he had to receive Italian identity card. These photographs clearly show the wart in question.

What is more, the lieutenant colonel recollected, that it had been him to draw the attention of the investigating judge Martella to that wart, at the time when he had testified before him in the summer of 1983, in Sofia, and Agca had started to talk about this wart as late as Martella's return to Rome, after the rogatory commission in Sofia.

What was particularly interesting, noted Lt. Col. Zhelyo Vasilev, this was the fact that Agca had spoken in detail about this wart, and at the same time he had missed to mention another two more conspicuous old injuries scars on his face. These scars were clearly visible to all present in the court room today.

What is more, when Agca had described the personality of Lt. Col. Zhelyo Vasilev, the way he had seen him during their supposed meetings before the assassination attempt, he had alleged that the Bulgarian officer had moustaches. Lt. Col. Zhelyo Vasilev really has moustaches at present, but at the time of the assassination attempt and before it he had been clean shaven, which could be seen on the photograph in his passport and his Italian identity card. He had grown moustaches only at the end of his stay in Rome. And at that time Agca had not been able to see him, even only because of the fact that he had already been behind bars, stressed the witness.

"As far as I know from investigating magistrate Martella's indictment under which I was arraigned, he is trying to pass me off as a liar," Lt.-Col Zhelyo Vasilev said. In order to rationalize his allegation, Martella is juggling with the witness' testimony about his own height.

"Dr. Martella is obviously seeking to suggest that the Turks are lying, and the Bulgarians are lying, hence, there are all birds of a feather," Lt-Col Vasilev said in conclusion.

Answering the questions of the Italian judges put to him through the Bulgarian judge at this morning's session, the witness to [word indistinct] Ayvazov said categorically that he had not met Agca either in Rome, or in Sofia, that he had never been introduced to him and could not have conspired with him to murder the pope. Proceeding from documents from the service he has been in charge in Rome, he did his best to make an hour-by-hour reconstruction of his doings during the three days of May 1981, in which, as Agca alleged, they had been organizing the attack together.

Mr. Ayvazov indicated that he found it very difficult to reconstruct in detail his business in the three days which had not been different to him from any other day, and which have all gone in the past so long ago. With the help of archive materials he managed to draw quite a dense picture which leaves no room for conspiring an assassination plot.

"By coincidence, precisely in that month of May 1981 my parents were staying with me in Rome," Todor Ayvazov said. "Am I that crazy to invite my parents to stay with me right when, as Agca says, I was engaged in the preparations for the attack committed by him and when, as he alleged, I had to accommodate Turkish conspirations at by home?" Todor Azvazov [sentence as received]

The court will go on questioning the two witnesses in the afternoon.

Vasilev Questioned Further

AU211515 Sofia BTA in English 2201 GMT 20 Dec 85

[Text] Sofia, December 20 (BTA special correspondent Alfred Krispin)--Under the chairmanship of the Bulgarian judge Mr. Trendafil Danailov, presiding judge of the Sofia regional court, the carrying out of the rogatory commission assigned by the panel of the first Rome criminal court in connection with the second trial on the assassination attempt against the life of the pope, started here today. The court session is attended by the judge Mr. Severino Santiapichi, who presides the trial in Rome, his deputy Mr. Fernando Atolico, the prosecutor Mr. Antonio Marini, and the lawyers Mr. Jiuseppe Consolo, Mr. Adolfo Larussa and Mr. Manfredo Rossi.

Mentioning the circumstances around the rogatory commission, which was formed despite the fact that there is not an agreement between Bulgaria and Italy for legal cooperation, the Bulgarian judge reminded the content of Article Four of the Bulgarian legal code. According to this article Bulgarian citizens should not be put on trial by any foreign court or submitted to any other country for serving of sentences delivered there. And because of this fact the Bulgarian citizens Zhelyo Vasilev and Todor Ayvazov may be interrogated here only as witnesses in the case tried by the Roman Criminal Court.

This fact has been explicitly expressed by the Bulgarian side in the notes exchanged between Bulgaria and Italy. This condition has been accepted by the Italian side but the pretention of the Italian magistrates for revision of this agreement and Zhelvo Vasilev and Todor Ayvazov to be summoned, in practice, before the court here as defendants, sounded rather unpleasantly, as early at the opening of the session.

After this short incident, the interrogation of Lieutenant-Colonel Zhelyo Vasilev as a witness, started before the Bulgarian judge.

On the questions: Had he known the assailant Mehemet Ali Agca, had he met him, had he planned with him the assassination attempt against the pope, had he instructed him how to commit the crime, had he been with him to inspect St. Peter's Square in Rome, Zhelyo Vasilev gave categorical negative answers. Clearly and backing his arguments with minute details he explained why it had been practically impossible for him to accompany Agca on 11th, 12th, and 13th of May 1981. At the same time Zhelyo Vasilev pointed out that from the questions of the investigating-judge Ilario Martella during the preliminary inquiry here, and also now, for the questions stated by the Italian judges today, he had the impression that they simply lacked the desire to listen to everything which he was able and wanted to say in connection with this trial for the clarifying of the truth.

The court devoted too much of its time to the telephone number of the embassy, which, according to the allegations of the assailant, had been used by him to call Zhelyo Vasilev, asking for his alleged pseutonym Sotir Petrov. Zhelyo Vasilev pointed out that this telephone number was one of the numbers of the telephone exchange of the Bulgarian Embassy in Rome. During the office hours the telephone exchange is operated by a telephone girl, and during the rest of the time it is operated by a member of the Bulgarian mission on duty. And all Bulgarians working in the official representations in Rome are regularly on duty there some time or another. This means that if the assailant wants to contact him through this telephone number, asking for Sotir Petrov, at least several dozens of people, who operate the telephone exchange at various times, should have known that the "dangerous Zhelyo Vazilev" is hiding behind this pseudonym, stressed ironically the witness.

And rather more logically and more conspiratorial it should have been if Agca had asked for Vasilev on the direct telephone line in the office of his chief--the military attache at that time--Colonel Kochovski. But it had come out that for so dangerous a plot Agca had been given the telephone number of the telephone exchange of the embassy, so that he could get in touch with his hypothetical accomplices in such a way that everybody could have the ability to understand what had been going on.

What made a strange impression, stressed Zhelyo Vasilev, was the fact that describing his personality Agca had said that he had been tall--even taller than the other falsely accused Bulgarian Todor Ayvazov. Zhelyo Vasilev pointed out that he was 1.64 m tall, i.e. rather short. But this fact had not convinced the investigating judge Ilario Martella that Agca had lied and that he had never actually seen Vasilev.

The third untenable fact in Agca's allegations that they had conspired together, is the fact that they lacked a common language in which they could understand each other in order to plot together. Lieutenant Colonel Zhelyo Vasilev stated that he could not speak any other foreign languages except Russian and Italian. He had never studied English. The assailant had alleged that they had spoken in English.

Some of those that were present in the court room were impressed by the fact that the investigating judge Ilario Martella had been able to interrogate the summoned persons himself, and today the Italian judges could state their questions only through the presiding Bulgarian judge. But at that time it has been only a preliminary investigation while now there is a trial going on in Rome and Zhelyo Vasilev is a defendant in it. And as it has been pointed as early as the beginning of the session here today, according to the Bulgarian law no Bulgarian citizen may be put on trial by the court of any foreign country.

Journalist Denounces Rome Trial

AU182140 Sofia BTA in English 1930 GMT 18 Dec 85

[Text] Sofia, December 18 (BTA)—This evening the Bulgarian television broadcasted the following commentary by Mr. Nencho Khranov, deputy director general of the Bulgarian Telegraph Agency:

The trial in Rome which has dragged on for almost seven months now, is nearing its end. It is expected that the court proceedings will be completed and in the middle of January. [as received]. The prosecutor and the defence will deliver their speeches. The wide democratic public understands perfectly well the provocational-political character of the unjustified charges against Sergey Antonov and the other two Bulgarian citizens. The committees for defence of Sergey Antonov which have been established in a number of countries, various public organizations and the press, raise their voice ever more actively for release of Sergey Antonov, for acquittal of the innocent Bulgarian citizens.

I will mention only three despatches received by the Bulgarian telegraph agency today, from Havana, Aden and The Hague, which display the attitude toward the framed-up political provocation. The Cuban television stresses that all accusations, which have been fabricated by Agca, are absurd and false. They aim to discredit the Bulgarian socialist system, to besmear the good name of one socialist country which has earned its well-deserved international prestige by its consistent peace-loving foreign policy. The participants in the international journalistic symposium in Aden, from different countries in Asia, Africa and Europe, appeal to all progressive journalists in the world to raise their voice in defence of justice and the irreversible rights of Sergey Antonov as a man and as a citizen of Bulgaria. The Dutch committee for solidarity with Sergey Antonov declares: We are deeply convinced in Antonov's innocence.

This deep conviction, which has found its place in the mass media, follows from the facts. Not a single circumstance, not a single fact have been pointed at the trial in Rome, which may incriminate the Bulgarian citizens in any complicity whatsoever, in the fiendish crime committed at St. Peter's Square. Only the contradictory and often self-refuting slanders of Agca serve as the only starting point of the prosecution in order to maintain the absurd thesis of the indictment of the investigating-magistrate Martella. On the contrary, numerous and convincing are the facts, which speak about the machinations of the NATO secret services in the framing-up of the so-called "Bulgarian Connection."

It is clear for any unprejudiced person that the trial in "Foro Italico" is a political trial. It has been planned as a slanderous campaign not only against the People's Republic of Bulgaria but against the whole socialist community. The aim was and continues to be the vilifying of the policy of detente and dialogue between the East and the West, the besmearing of the socialist system and our ideology. This is a link in a worn out neo-crusade against socialism. The course of international affairs itself has shown and has proved that such a policy is absurd and that it contradicts to the interests of mankind.

In conclusion I will venture to refer to the standpoint of the Soviet minister of foreign affairs Mr. Eduard Shevardnadze, member of the Politburo of the Central Committee of the CPSU, which he has expressed in his speech during last week's visit to the USSR of Mr. Petur Mladenov, minister of foreign affairs of Bulgaria: "We can see very well," pointed out Mr. Shevardnadze "that our class adversary is trying to break the ranks of the socialist community, to reduce the positions of socialism in the world, to besmear them. And we cannot but recall the unworthy activities in Rome, the gross political provocation, organized by the forces of the imperialist reaction and the Western secret services against the Bulgarian citizens to these activities the fraternal parties and countries give an unequivocal answer: They consolidate ever more their unity and class solidarity, they cooperate ever more closely in the international affairs."

What can be more clear than that!

/8309
CSO: 2200/53

BRIEFS

BULGARIAN OFFICIAL TO IRAQ--Baghdad, 24 Dec (INA)--Tariq 'Aziz, deputy prime minister and foreign minister, met here today with Ivan Ganev, Bulgarian deputy minister of foreign affairs, who is currently visiting Iraq. They discussed bilateral relations, the regional situation, and international issues of joint interest. [Text] [Baghdad INA in Arabic 1827 GMT 24 Dec 85] /8309

BCP DELEGATION RETURNS--A delegation of the BCP Central Committee returned from Bucharest. The delegation was headed by Comrade Milko Balev. The delegation also included Comrades Dimitur Stanishev and Stoyan Mikhaylov. The delegation attended a conference of Central Committee secretaries on international and ideological issues of fraternal communist and workers parties from socialist countries. [Text] [Sofia Domestic Service in Bulgarian 1830 GMT 18 Dec 85] /8309

ZHIVKOV RECEIVES IOC OFFICIAL--Sofia, December 16 (BTA)--Today, Mr Todor Zhivkov, president of the State Council, received in "Boyana" Residence Mr. Berthold Beitz, chairman of the Board of Supervisors of the Alfred Krupp von Bohlen and Halbach Foundation and vice president of the International Olympic Committee. At their friendly talk they discussed issues of international cooperation. They stressed the importance of the development of business, cultural and sports relations, which contribute to the strengthening of the trust and understanding between the peoples. [Text] [Sofia BTA in English 1846 GMT 16 Dec 85] /8309

DYULGEROV-LED TU DELEGATION--On 15 December the delegation of the Bulgarian Trade Unions Central Council, which took part in the meeting of leaders of the socialist countries' trade union organizations, returned from Berlin. The delegation was led by Petur Dyulgerov, chairman of the Central Council and candidate member of the BCP Central Committee Politburo. [Text] [Sofia Domestic Service in Bulgarian 1600 GMT 15 Dec 85] /8309

CSO: 2200/53

MURIN, USSR'S KAPITSA SIGN CULTURAL AGREEMENT

LD032325 Prague CTK in English 1659 GMT 3 Dec 85

[Text] Moscow, 3 Dec (CTK correspondent)--Large-scale exchange of art ensembles and particularly intensive cooperation of leading young writers and artists between Czechoslovakia and the USSR are provided for by a plan of cultural and scientific cooperation for 1986-90, which was signed here today.

Under the agreement, signed by Soviet Deputy Foreign Minister Mikhail Kapitsa and Czechoslovak Deputy Foreign Minister Stefan Murin, the climax of art and culture exchanges in the next five years will be the Days of Czechoslovak Culture in the USSR in 1988 and Days of Soviet Culture in Czechoslovakia in 1990.

The agreement envisages intensive cooperation in science and university and secondary vocational education through raising qualifications of experts in various branches, lectures, etc. The exchange of radio and television programs and cooperation in the printing industry and distribution of books will also increase.

/9274
CSO: 2020/50

PRC'S LI XIANNIAN RECEIVES OBZINA

LD101626 Prague CTK in English 1326 GMT 10 Dec 85

[Text] Beijing, 10 Dec (CTK correspondent)--Czechoslovak Deputy Premier and Chairman of the State Commission for Scientific-Technological Development and Investments Jaromir Obzina, who heads a government delegation here, was received today by Chinese President Li Xiannian.

The two representatives appreciated the results attained in the development of bilateral relations, particularly in the economic and scientific-technological spheres. They stressed the interests of their countries in intensifying these relations.

The two statesmen also discussed some international topics and in this context they emphasized the great responsibility of the socialist countries in efforts for maintaining world peace.

/9274
CSO: 2020/50

CSSR MINISTER CONCLUDES TALKS, DEPARTS

LD091147 Tehran IRNA in English 1028 GMT 9 Dec 85

[Text] Tehran, 9 Dec (IRNA)--The Czech minister of industry, Pavol Bahyl, left Tehran Monday morning following a three-day visit and talks with the Iranian officials.

The Czech minister was seen off at Tehran's Mehrabad International Airport by the Iranian minister of heavy industries, Behzad Nabavi.

The Czech minister in his talks with Iranian officials discussed further expansion of bilateral relations, technical cooperation and also export of Iranian industrial products to Czechoslovakia.

/9274
CSO: 2020/50

INCREASE IN CRIMES BURDENS COURT SYSTEM BEYOND CAPACITY

Budapest MAGYAR HIRLAP in Hungarian 26 Nov 85 p 3

[Article by Gyorgy Acs: "Court Proceedings Must Be Speeded Up"

[Text] The Supreme Court of the Hungarian People's Republic held a plenary session "yesterday" [25 Nov 85] to debate and approve reports on the work of the Supreme Court's five divisions in recent years. Dr Jeno Szilbereky presided. The following attended the plenary session: Imre Katona, secretary of the Presidential Council; Dr Imre Markoja, minister of justice; Peter Varga, director of an MSZMP Central Committee department; dr Karoly Szijjarto, supreme state prosecutor; Tibor Baranyai, secretary general of SZOT [National Council of Trade Unions]; Lieutenant General Dr Lajos Morocz, state secretary of the Ministry of Defense; Dr Albert Racz, state secretary, chairman of the State Office of Wages and Labor Affairs; and Lieutenant General Karoly Ladvanszky, deputy minister of the interior.

The plenary session established that the Supreme Court has fulfilled its constitutional obligations. It is performing with suitable efficiency its tasks of reviewing cases, and of providing guidance for the lower courts through its authoritative rulings. Dwelling in detail on the work of the individual divisions, the plenary session established that unfavorable phenomena can be observed in the nature and composition of criminal activity. The fact that offenses against life and the person are continuing to become more serious, the rates of certain violent crimes, the increase in the number of robberies within offenses against property, and the spreading of vehicular crimes--all are warning signs. Various abuses, often in combination with corruption, can be observed in conjunction with the new forms of businesses that otherwise have proven suitable in the economy. The proportions of recidivists, vagrants, alcoholics and parasites among the criminals are rising. Alcohol abuse remains a serious problem, and drug abuse is spreading especially among youths. Environmental hazards are continuing to threaten the development of a significant proportion of our young people.

In the debate it was noted that judges have practically reached the limits of their work capacity. Typical, for example, is the sharp rise in the number of criminal cases that the Supreme Court reviews on appeal: from 885 cases in 1983, to already more than 1200 so far this year. The backlog of criminal cases, and the average wait until a case comes up for trial have been unfavorable in recent years at some of the megye courts, particularly the Budapest

Court. The number of criminal cases in which the Supreme Court has to review confinement on remand (ordered or continued by a lower court) exceeding 12 months has been increasing year by year.

The basic principles of our law of criminal procedure are being observed in practice. Defendants are able to exercise their right to defense without any limitations. Court sentences are well reasoned and in accord with legality, although occasional errors and violations of the law have occurred also in the recent past. However, the Supreme Court's criminal division has corrected these errors and violations, and has issued authoritative rulings to further strengthen the procedural safeguards.

In another area, the law of domestic relations, conflicts have arisen especially in matters of custody, divorce, property settlement, and right of occupancy.

In reviewing cases and issuing authoritative rulings, the Supreme Court's business law division concentrates on aiding the smooth operation of the system of contracts. In labor law cases, special attention is being devoted to preventing abuses of the law. This is important mainly in litigation arising from disciplinary actions and dismissals. The practice that has evolved under the Supreme Court's guidance not only upholds the worker's right to justifiable criticism, but it also guarantees that dismissal by the enterprise during reorganization must be warranted.

In the debate Karoly Szijjarto, the supreme prosecutor, spoke of the work of the Supreme Court's divisions and urged court proceedings that are faster and more simple. He questioned the corrective and educative effect of a sentence that is completed during detention on remand. Justice Minister Imre Markoja also emphasized the need to speed up court proceedings.

The plenary session discussed the guidelines on heavy, substantial, and especially heavy damage in the criminal division's authoritative ruling on the extent and assessment of damage in tax violations, foreign-exchange violations, and violations against property. Next, the plenary session heard and approved the report of the disciplinarfy committee's chairman, and elected a new disciplinary committee.

1014
CSO: 2500/100

PASIC CRITIQUES RECENT POLITICAL DOCUMENTS

Belgrade POLITIKA in Serbo-Croatian 16, 17, 18 Nov 85

[Article by Najdan Pasic, professor: "Criticism of Sterile Criticism"; first two paragraphs are POLITIKA introduction]

[16 Nov 85 p 6]

[Text] In a lengthy discussion which is soon to be published Professor Najdan Pasic describes how we "manufacture" political documents and measures their ideological range. As a person who has himself participated in the drafting of certain documents, Pasic brings his own and broader experience to bear as he examines them in the context of our political relations.

Our newspaper will be publishing in three installments parts of this study in which Pasic pays particular attention to the Critical Analysis of the Functioning of the Political System, taking this example as an illustration of certain of his arguments and observations.

The critical reassessment of the functioning of the political system has not yet yielded the anticipated constructive results. Within the League of Communists itself, and that above all in its leadership, there was not, at least at the outset, enough willingness to acknowledge that a considerable portion of the difficulties in the economy have their roots in the sphere of society's political organization. The one has been mechanically detached from the other, although the very first steps (and the first stumblings) in carrying out the Long-Range Economic Stabilization Program spoke clearly to the effect that that program could not be carried out unless effective functioning of the political system was ensured.

Indeed even more than 3 years ago when the Presidium of the LCY Central Committee took the position that it would undertake a drafting of a critical analysis of a functioning of the political system "in an organized way and without delay," this job, which is an extremely important and urgent one, was impeded and slowed down by the constant effort to define and fix in advance how far that criticism would go and which topics would be subject to critical reassessment and which would not.

The announcement that a working group had been created in the Federal Social Council for Problems of the Social System to ascertain the causes of certain obvious serious shortcomings in the functioning of the political system was accompanied by a relatively long silence about what it would actually work on and how that work was progressing. The desire to postpone the public democratic dialogue on these matters until internal agreement was reached in the appropriate political bodies had certain results just the opposite of what was anticipated. Instead of a "laying of the spirits" and waiting for what the responsible working group would offer, the discussion actually began even without clearly defined ideological points of departure, carried forward by dissatisfaction and impatience because of the slowness to react to the shortcomings and difficulties evident to everyone both in the process of establishing policy, and also and especially in carrying it out.

The Presumed Relations and the Real Ones

A string of years when the difficulties were increasing and the living conditions of the enormous majority of working people, especially those who truly live from their work with the socialized means of production, steadily deteriorated could not have gone without consequences for the ideological climate and morale in society. The justified doubt based on practical experience as to the correctness of certain specific solutions began little by little to undermine the faith even in the very basic commitments for whose implementation increasingly appropriate instruments and solutions were supposed to be found precisely on the basis of a constant testing and retesting of actual experience.

But it is precisely that creative-critical attitude toward the specific normative solutions--instruments for achieving strategic goals--that for years now has been blocked by pragmatic political interests of certain segments of the stratum of professional political managers. Any real change in the present division of social power, which has been built and established behind an opaque net interwoven of specific normative solutions and the present method of their practical application is unacceptable to it.

The consequences of that situation are very serious. An essential attribute of any revolutionary movement and any vanguard party has begun to shrink and atrophy. I am speaking about the ability and willingness to reassess and critically evaluate the results of its own activity and the trends characteristic of overall social developments openly and democratically, without shrinking, and then on that basis (and this is essentially the most important thing), to build future policy and organize social action.

But in our political practice in recent years, especially in the practical activity of the League of Communists, there has been an ever more striking lack of precisely what is the most important--the readiness to change and to throw out everything in the specific normative solutions and their practical application that has not withstood the real test of reality, constructs that had been conceived on the basis of presumed social relations rather than the real ones, everything that had proved dysfunctional and inappropriate in relation to the basic goals and directions of socialist social development, among which first place is taken by the real (and not declarative) emancipation of associated labor from bureaucratic and technocratic tutelage.

Appeals and Responses

This "state of the spirit" in the party has also been manifested in the character and content of party documents (conclusions, resolutions, views, and platforms). There have been more and more of them, and as a rule their effect in terms of action and mobilization has been smaller and smaller. The party rank and file and the broader political community awaited and received those documents, announced in advance, with interest and hope, and it has accepted and adopted them, usually with hesitation and indeed with disappointment. Why is this the case? There is an obvious disproportion between what has been announced and "promised" and what is really being offered, between the time, money, and labor which went into drafting those documents and what is offered as the end result. It is likewise obvious that in the preparation of the resolutions and conclusions elements of political deals and compromises within the political leadership pushed aside (and sometimes altogether "displaced") elements of a broader and principled theoretical thinking-through of the various social problems and conflicts between opposing partial interests which are exceedingly present and vigorous within the party itself.

Which accounts for the internal disharmony and inconsistency with which many of the important documents and analyses suffer from, their principal purpose and purport being to stimulate and guide practical action. A harshly critical portrayal of the situation which is to be changed is accompanied by a much less definite and precise identification of the essential causes of the negative phenomena which are the subject matter of the criticism, and then altogether anemic proposals of measures to change the situation are built up on top of that and carry the message that actually nothing essential needs to be changed "except" the behavior of all the principals in the political process, all those responsible for "subjective shortcomings"! These moral recommendations have not, of course, altered one whit the threatened positions of concrete interests of the principles called upon to "change their behavior." So the motivation to "go on in the same old way" is stronger than the motivation to do things differently and better.

A political document which contains harsh criticism of the status quo, but does not impose the duty of specific action and does not set forth measures and tasks appropriate to the diagnosis which has been made, can be and often is counterproductive. Resolutions and conclusions with that kind of content do more to disorient (and indeed even demoralize) than they actually do to mobilize the creative forces in the party and in society at large.

Creation of Illusions

It is a dangerous illusion that the unwillingness to make decisive moves and the giving in to the present balance of power and endeavors to preserve at any cost positions of political and social power which have been acquired can be offset by a unanimous adoption of lengthy documents in which an appeal is made for loyalty to the general principles and commitments contained in the

Constitution and the Law on Associated Labor and which call for everyone to behave accordingly. But the problem does not in fact lie in those principles and commitments themselves, but in the specific way they have been elaborated, interpreted and applied, which has been directly influenced by the opposed leanings and aspirations of those holding positions in the government and administration of various sociopolitical communities and other professional management structures, which have become independent and which are set off against one another.

What has come about as a result of the tortured bargaining and trade-off of concessions to the opposing views and interests can hardly be persuasive or take on the force of a document which resolves the long-building controversies, nor can it plot the course of unified action. It is illusory to believe that this problem can be resolved by constantly and explicitly a feeling to the principle of democratic centralism, since that principle cannot in and of itself guarantee consistent implementation of the decisions and positions which are not themselves consistent.

Adoption of documents which are not the result of an authentic unity established democratically, but a way of disguising disunity, has contradictory results: in the short run it creates the illusion that a way has been found out of the dead end and that in the future we need only to consistently implement what has been decided and concluded, but over the long run those illusions only undermine the already feeble capacity for action of the League of Communists and the other organized socialist forces.

The overproduction and inflation of political documents of all kinds intended to set in motion and guide social actions has inevitable negative consequences, as indeed does any inflation. In this case we are talking about negative consequences to the political authority and influence of the bodies and authorities in whose name those documents are being adopted. The more distinguished and responsible the place of such a body in the overall system of political decisionmaking, the more far-reaching and grave those consequences are. After all, every proclaimed policy that is not carried out, every position or conclusion that is adopted, but does not come to fruition, merely strengthens the already incipient doubt and disbelief of the ability of the organization and of its leadership to effectively influence the course and direction of real social developments.

The danger is increasingly obvious that the passivity and apathy have seized upon the broadest rank and file of all the sociopolitical organizations, including organizations of the League of Communists, placing upon political life as a whole the imprint of a lack of interest and lethargy. And that is not an atmosphere favorable to successfully getting out of the economic and political-ideological crisis or which guarantees continuation of the course of profound revolutionary changes (which has been otherwise inherent in our overall postwar development).

[17 Nov 85 pp 7-8]

[Text] It is obvious that in the structures of sociopolitical organizations, bodies of the assembly, and indeed the League of Communists itself there has been a nurturing and perfection of skill at that kind of presentation and rationalization which makes it possible to use very many words in saying what is essentially very little, to facilitate (only on paper, of course) the coexistence of altogether opposed views and solutions by endless repetition and variation of general commitments and abstract principles. Disputes are thus "resolved" by appealing to general principles which no one in fact has ever disputed, and the painstakingly weighed balance of concessions and support to the conflicting interests guarantees unanimous adoption of what in essence no one is in fact satisfied with. Since after all in a document tailored in that way everyone will find what suits him and what makes it possible for him to continue in the same old way in his behavior, and all will be able to breathe a sigh of relief, since a way out of the unpleasant dead end has been found at least in appearance and "until the next time."

The conclusions of the LCY Central Committee explicitly state that the party document should be quite short and clear, should not reiterate positions already taken, and should point out the way in which their implementation is to be ensured. They also state that there is a need to guarantee that the rank and file, organizations, and bodies of the LCY discuss in advance the particularly important issues in drafts of the documents of the LCY Central Committee.

It is very important that the Central Committee has defined its orientation and obligations in this way at precisely a time when the preparations for the congress are entering their most intensive phase. As is well known, the broad party community and other democratic political forces and factors are usually "brought into the game" when the "game" is actually over, at least as far as concerns the final result arrived at. This diminishes and completely loses the precious creative impulse which public discussion can offer by breaking up the blockade of the narrow day-to-day interests on behalf of the general interest and those things which are turned toward a common future.

After Lengthy and Exhausting Meetings...

The LCY Central Committee did the right thing when it sent out the draft of the conclusions of its 13th meeting to the party membership for free democratic discussion on the broadest scale.

The course and results of the fundamental discussion were waited for and accompanied by (and dismissed with!) many favorable assessments and comments. In part they were even decanted into the conclusions of the 16th Meeting of the LCY Central Committee. However, the effect and direct impact of the broadest democratic di-...[garbled text]...was small and almost negligible in terms of the regular activity and established way in which party forums, "working bodies," and the "apparatus" go about things. The extent to which the forums and apparatus are shut off in their way of doing things and making decisions, their resistance to "external" democratic influence and pressures, were made evident.

Say Much and Do Little

The routine production of programmatic documents, views, decisions, conclusions, and the like, based on a tacitly acknowledged balance of power among the organized political factors participating in decisionmaking behind closed doors, has its own powerful inertia and guarantees that following the feverish effort on the preliminary "working papers" and "internal material" and after the lengthy exhaustive meetings, what comes out will only confirm and reinforce the status quo. The great loss of time and resources and the appearance of intensive effort most often merely are a cover for what actually amounts to marking time.

Even a superficial look at many important political documents produced in recent years cautions us that the normativist-dogmatist approach and "method of analysis" has assumed great proportions and threatens even to become dominant. There is no doubt that the critical analysis of the functioning of the political system, a document whose drafting has finally entered its final phase, also suffers from all these debilities, but it is, we believe, the kind of document that will give a constructive thrust to efforts to begin to remove in the domain of the political organization of society those things which in practice have proven to be an obstacle to the development of self-management.

The critical analysis is critical indeed in its notation and description of negative phenomena and exhaustive in their enumeration. It talks without beating about the bush or at least with minor qualifications about the alienation of the resources for expanded reproduction from the workers, about group-ownership and regional partitioning and carving up of socially owned property, about the autarky which is breaking up the unity of the Yugoslav market, about the slowness of the processes of integration, which are in addition being carried out mainly within the boundaries of opstinas, republics and autonomous provinces, about how the common interests are manifested "more as mediated common interests of associated labor for specific territories of sociopolitical communities at the higher or lower level, and less as the authentic interests of associated labor, the working people and citizens, and their self-managed associations."

Such indispensably clear critical assessments of the situation as contained in the analysis, as indeed in a number of other political documents of the recent past, leave no room whatsoever for the objection that the truth is being concealed and reality is being embellished by apologists. But, as we have already said, the social value of this kind of criticism does not depend solely on its acuity and "unsparingness," but also on its ability to bring to the surface and illuminate the true causes of the phenomena which are the subject of the analysis and criticism. Otherwise the critical observations and assessments, however accurate they might be, take on overtones of "a forced admission" of what is obvious and what would in any case be difficult to conceal or dispute.

And it is precisely on that task of discovering the objective and subjective causes of the situation in question that the method of normativistic subjectivism has failed the test. The failure to enforce or the inconsistent enforcement of the constitutional and legal standards and what has been "sketched out" in them is taken as the general and most important cause of the phenomena and tendencies which need to be clarified. The widened gap between the normative system and the actual state of social relations is regularly charged to a reality which departs from the norm because of the incorrect behavior of almost all participants in the political process. In the absence of a more profound analytical elucidation of the objective cause-and-effect relationships, the document resorts to tautological explanations, so that what is only a symptom or expression of a particular state of affairs is referred to as its cause!

Perhaps it will not be inappropriate here to quote a few passages from the "Critical Analysis...":

"The incomplete state of construction of the integral system of the economic and social organization of associated labor and slowness in establishing linkage and integration of OUR's [organization of associated labor] with respect to reproduction and income over the country's unified economic area...is one of the key causes preventing the workers from becoming decisionmakers concerning the resources for expanded reproduction. At the same time this is also one of the causes preventing the workers from becoming the real holders and wielders of political power through the delegate system." The incompleteness of the system, then, is the reason why the workers are not managing the entirety of the income earned, and the fact that they are not managing income is an expression and essence of the incompleteness of the system! Thus we come full circle.

In the Closed Circle of Tautological Explanations

Enclosed in a circle of tautological explanations even the most accurate critical assessments of a situation cease to have the value of a guide to specific action and become "neutral" in operational and political terms, since the same phenomenon is taken both as the consequence of the particular state of affairs, but also as its cause, i.e., it is interpreted in terms of itself and in relation not to reality, but to a norm.

"The alienation of income from basic organizations of associated labor," the analysis reads, "is bringing about a weakening of the accumulative and reproductive capability of associated labor and its excessive dependence upon external sources of financing.... The consequence of all this is alienation of a considerable portion of the surplus value of labor from the workers...." Accordingly, the alienation of income from the workers is the cause of and reason for the alienation of income!

Or, when it comes to personnel policy and various bureaucratic monopolies in selection of personnel for self-management and public offices: "In many communities there are frequent deviations in carrying out certain principles of personnel policy and failures to adhere to the criteria adopted.... Evaluation of performance in holding office in society is in practice inadequate and inappropriate and usually formalistic.... The process of divestiture of social and self-management functions is also taking place slowly. These shortcomings are an expression both of the inadequate and inconsistent achievement of the status and social role of the workers in associated labor and in the conduct of personnel policy, as well as of departure from the democratically established principles and criteria of personnel policy at all levels. One reason for this is the incomplete and inconsistent performance of the role of sociopolitical organizations.... All of this has led to negative phenomena in personnel policy, such as: privatization, monopolies of individuals and small groups, and indeed even of political executive bodies in sociopolitical organizations, subjectivism, leaderism, careerist ambitions, sectarianism, cases of usurpation of various kinds, factional schemes, etc."

One can conclude from this that all of the antiself-management and antidemocratic deformations enumerated in the sphere of personnel selection, all the usurpations of power by the stratum of professional managers are occurring because of a departure from what has been prescribed, because the standards in effect are not being respected. Accordingly, there is no need to change anything except the behavior of participants in the political process, all of those who conduct and participate in the implementation of personnel policy! The basic and essential issue that has been raised and made possible by the "improper behavior" of individuals, groups, and indeed even the most responsible factors, the question of why the norms and democratic rules are not being respected, is thus completely evaded!

This kind of tautological interpretation of the causes of the bureaucratic-statist deformations which burden the political system has also determined the character and scope of the proposals for the "treatment" which should be administered. This is also the root of the easy-to-spot discrepancies and disproportions between the assessment of the situation and the proposals of measures for changing the situation (which is the typical shortcoming of many political documents, the "Critical Analysis" included).

[18 Nov 85 p 5]

[Text] The enclosure within opstina and regional boundaries represents without a doubt a serious economic and social problem. Autarky of this kind, and incidentally any other, frustrates optimum use of resources for expanded reproduction by associated labor and reduces the level of satisfaction of the needs of the overall society.

What is recommended and proposed in the "Critical Analysis" with respect to solving this problem? It says that "the opstina authorities should encourage self-management organization and the linkage of associated labor around income on the foundations of interdependence in reproduction, regardless of opstina, regional, provincial, and republic boundaries...."

What can be the real effects of recommendations of this kind if it does not propose or do anything to remove those causes and motives which have brought about the localistic behavior of opstina bodies of government we have seen up to now? What is in general the fate of vague political and moral appeals of this kind when they come up against the concrete material interests which motivate the behavior of the various political entities and their conception of what is beneficial to them and what isn't in a given situation?

Contradictory Proposals

In their desire to be acceptable to all participants in formulating the particular political document, some of the proposals are self-contradictory: they state a definite goal and at the same time recommend means which are not appropriate to achievement of that goal. Or again, just to illustrate, an example from the "Critical Analysis" (although many other documents abound in such examples as well):

"It is indispensable," states the Analysis, "to strengthen the planning functions in the domain of the economic infrastructure organized in the form of large and unified technological systems and to guarantee that the long-range planning in OOUR's [basic organization of associated labor] of those systems and in the system as a whole becomes the essential basis for establishment of their development.... The joint goals of development in those systems should be established on the basis of self-management reconciliation of the plans for development of the OOUR's of those systems...."

It is expected, then, that the harmonious planned development of unified large systems, which may have as many as a few hundred OOUR's, will be accomplished by strengthening the planning function of each of those OOUR's, or, in other words, that the needs and interests of the dynamic development of those systems, dictated by the profound revolutions taking place in modern technology, can be registered from the perspective of the separate interests of some 200 regionally and functionally separate OOUR's and that their reconciliation and bargaining will produce a unified plan that will guarantee development of the productive forces such as corresponds to the inherent needs of a modern economy! Our own experience tells us clearly enough that such expectations are illusory.

Pragmatism, routinism, and the conservative spirit of preserving the status quo have made strong deep inroads into the ideological life of the League of Communists and the other "organized forces of socialist consciousness." Were this situation to become constant and were it to go deeper, it could become one of the most difficult aspects of the present social crisis--the main obstacle to overcoming the crisis.

Explorations for Better Solutions

Are the objective economic contradictions and difficulties the principal cause of the situation on the "ideological front"? Starting with the historical experiences of our party, we have every reason to reject such an assumption! Were the fifties, the time when workers' self-management was introduced, not a period of exceptionally great material troubles and difficulties, and at the same time a period of ideological enthusiasm and an exceptional flourishing of theoretical thought. Communists recorded at that time in their party program that "nothing that has been created dare be so sacred to us that it cannot be superseded and cannot give way to what is still more progressive, still freer, still more human!"

How is a revolutionary party in power to preserve and indeed to further develop the ability of critical judgment of its own practice as well as the readiness to search for new and better solutions without shrinking away from the fact that it is calling into question relations of power and influence tha have already been established and of which it itself is involved as a part of the formal and informal managerial structure?

Never out-of-date, this question has today come to the very center of the complicated set of problems concerning the functioning of the political system of socialist self-management. We encounter it in performing every specific task of our present phase of development of self-management as a global system of the economic and political organization of society. Even the most recent experience in the work on political documents setting forth the tasks and defining the strategy for the activity of the League of Communists and the other organized subjective forces can a very good occasion and stimulus for specific reflections on this topic. This also applies fully to the 3 years of work on the Critical Analysis of the Functioning of the Political System, which took place in the Federal Social Council for Problems of the Social System and in its working groups, as well as in the commission which was assigned the task of writing the final document on the basis of all the work that had been done previously.

Unimpeachable Authority

If we just take a small glance into the "laboratories" where such documents are prepared, and if at least to some extent we become familiar with the "technology" applied in the effort, then we can arrive at a more objective and fair document about the values and faults of what is offered as the final result of that kind of effort. But even something more than that: When one examines from close up how political positions of a programmatic nature are arrived at (analytical assessments, conclusions, resolutions), one can judge more reliably to what extent the self-management-delegate method of political decisionmaking is being achieved in practice, that is, the extent to which it has actually been replaced by an essentially different method of decisionmaking based on republic-provincial parities and quasi-partnership relations of the small oligarchical elites of sociopolitical organizations and the territorial-political bodies of government administration. The relationship between those two ways of establishing policy (or, more accurately, reconciled foundations for adoption of political decisions) faithfully reflects the actual balance of power between degovernmentalization based on self-management pluralism of interests and polycentric statism. Practical experiences caution us that that relationship is still unfavorable for self-management. This, of course, has an impact on the functioning of all the institutions of the political system, including such bodies for self-management-political coordination as the social councils and their working bodies. The gap between the normative and the real threatens to widen still more.

The separate working group of the Social Council formed back in the fall of 1982 was made up on a parity basis of people who had been directly designated by the republics and autonomous provinces. The profile of members of the group varied, but the basic attribute of the "emissaries" of the particular republic or autonomous province was common to all and dominant in their practical work. Individual opinions and proposals of the members of the groups, whether they liked it or not, therefore had the features of some kind of "officiality."

These circumstances inevitably place their imprint on the entire work of the group--so much the more because the sensitive question of changes in the political system had already been "politicized" to a considerable extent. The place of broader and basic examination of the problems unburdened by a priori political attitudes and based on fundamental realizations and the results of empirical research, the discussions in the working group and around it pursued the line of reconciling opposed positions already taken with respect to the very approach to the problems. The a priori and essentially artificial division into "defenders" and "reformers" of the Constitution essentially arose out of regional politics than out of ideology or theory. That is why the way out of the stalemate often had to be found in compromises and deals or in evasive and elastic expressions (at which we have become true masters), rather than in a fundamental and specific clearing up of the outstanding issues.

The history of the effort that followed on the "Critical Analysis..." has now become rather well known. Since in the first phase of the effort the approach and topic outline of the Analysis were adopted, five working groups were in turn established on the basis of the proposals of the republics and provinces, each of which was assigned the task of examining and working up a particular set of outstanding problems. This is how after rather lengthy and patient effort the voluminous material came to be embraced in eight separate printed documents. Each of those separate parts was taken up and analyzed critically in several successive meetings of the Social Council.

The Discussion Has Already Begun

Because of the differing and often directly opposed opinions, the council did not verify the separate documents as any officially adopted document, but placed them at the disposition of the Commission for Drafting the Final Document of the Critical Analysis which was formed last February along with the text of the discussion that had been conducted concerning them.

The commission was "mindful" of the separate documents, but it did not feel bound by them, but rather in the third round once again traveled the entire route from the new concept to the final version of the text. When the separate parts pertaining to the activity of sociopolitical organizations as an integral part of the political system and to achievement of unity and community in SR [Socialist Republic] Serbia are incorporated into that text, the document will be sent to participants in the work of the council and through the Socialist Alliance put up for public discussion. Incidentally, that discussion has already begun in the press and on public speaking platforms.

The author of these lines has no intention to evaluate or summarize the discussion which has already begun or to pronounce his own judgments about the good points and faults of this document, on which he himself worked all of 3 years and for which he bears his part of the collective responsibility. We will be concerned here with a broader topic--the production of political documents and their fate in the quite recent past and today. The Critical Analysys offers good illustrative material for that purpose because the work on it lasted quite a long time and because a complicated procedure characteristic of the Social Council and other similar bodies of "political organization" was applied in it. Some of the problems and deviations typical of the functioning of the political system as a whole were specifically manifested in the very process of work on the analysis of that system. Thus even a superficial glance at the process of drafting the "Critical Analysis..." can be a kind of supplement to the analysis itself.

7045
CSO: 2800/66

POZDERAC DISCUSSES TASKS OF 13TH CONGRESS, BUREAUCRACY, TECHNOCRACY

Zagreb DANAS in Serbo-Croatian 5 Nov 85 pp 11-14

[Interview with Hamdija Pozderac, member of the Presidium of the LCY Central Committee, by Mila Stula: "The Disorder of Bureaucratic Order"; date and place not given]

[Text] DANAS: Comrade Pozderac, since preparations are under way for the 13th LCY Congress that will determine the principal topic of our interview. In other words, the public expects a great deal of the 13th LCY Congress, perhaps even too much in view of the situation in the party and leadership. Does this not reflect once again our tendency to proclaim congresses, meetings, and the like as watersheds in advance and to measure history from congress to congress, from meeting to meeting. But let us ignore this incidental remark, congresses have always been important events in our history, and certainly this 13th will be so as well. In what respects?

Pozderac: Your remark is not incidental, it goes to the heart of the matter. The demands and expectations that often describe something as historical in advance take us further away from history, from what is historic. Not a single congress of the League of Communists, including this 13th one, can be routine, a passing or incidental event: It cannot concern itself solely with current tasks, however great and complicated they may be and however difficult their solution may seem. Every congress defines the moment in history, but at the same time it plots far in advance the road which must be traveled and the goal which must be reached.

The point of this general remark about the character of congresses is that our society and the League of Communists of Yugoslavia are in such a situation and such circumstances that absolute need and the logic of everyday problems in the economy, in social relations, in politics and culture, by virtue of the critical nature of their mass, and by the pressure of their urgency are exerting pressure and turning attention toward a reaction to them, while at the same time the broader context in which they are occurring is usually not examined. That is, often their solutions are not sought within a broad projection of society's development and along a line of strategy and points which guarantee the essential goals of development.

DANAS: Could you present in that context how you see the tasks of the 13th congress? In what respect, then, will it be important?

Pozderac: This congress of the League of Communists of Yugoslavia must be a congress that will clearly answer the question of which forces involved in controlling the process of reproduction of social capital have been obstructive and have frustrated realization of the strategic line of the 10th congress and to ascertain what ideological and political arsenal they have used to secure and indeed even broaden their own interests and the level of their control over social capital, over society's productive capabilities. In my judgment the principal social force which has frustrated realization of the line of the 10th congress--especially its crucial point, control of the working class over social capital--is precisely the bureaucracy and the technocracy.

After all, the main objective in building relations in the Federation was to abolish any monopoly, be it the federal or be it republic or provincial government, over the associated workers, and establishment of their control over all the key economic and other functions in society.

Yet precisely the opposite has happened; that is, the republic and provincial bureaucracies have placed associated labor under their control. The consequence and relations in our Federation have mainly taken the form of a strengthening of government power. On that basis there has been constant accentuation of the question of its sovereignty and responsibility for the solutions offered by the federal government or some other body of the Federation. Statism at all levels, and not only at the level of the republics and provinces, should be eliminated in favor of the pooling of labor and capital throughout Yugoslavia. That is why the 13th Congress of the League of Communists of Yugoslavia must necessarily be a congress of the struggle against bureaucracy and technocracy and various forms of their influence on social development, as well as for a radical change in the position of associated labor relative to the entire process of social reproduction. This is its historical dimension.

DANAS: The plenums and conferences between the two congresses have demonstrated that there are differing opinions concerning certain key issues in our development and sense of community. We might mention only the differing approaches to the right to dispose of foreign exchange, concerning the political system, or concerning relations within SR [Socialist Republic] Serbia. What do you think about this, are there prospects for achieving unity?

Pozderac: Of course there are, since this is the unified historical interest of the working class and of all our nationalities and ethnic minorities. And those issues which you have mentioned (there are others as well) are precisely questions concerning the methods of stating that single interest in specific terms.

Likewise, without a clear and timely political position, without its being honored in democratic procedure, we can hardly anticipate a creative synthesis of the differing legitimate interests at the end point of the process of delegate decisionmaking. All attention is now being concentrated on that point of synthesis in our society, rather than on what is happening before it. But it has to be acknowledged that so far little work has been done on the synthesis, indeed even on the issues which you mention. That is why it is not surprising that the disunity manifested precisely in settling such important things has had adverse consequences for the overall orientation of the subjective forces, including even the League of Communists. Positions which have turned the demand for economic development into a change of the legal norms in the economy have even been reflected in their activities. This has opened up a road through which, on the basis of voluntarism, in a short time has taken up diametrically opposite methods and means of regulating the economy, an impact on the objective patterns of development is simulated. I would only issue a reminder that the economic therapies which have been applied for a short time, the cold and then the hot compresses, the freezing and then the thawing of prices, based on almost the same line of argument, have been equally unsuccessful.

DANAS: Nevertheless, the actual taking of positions by sociopolitical organizations actually accomplishes nothing in society in and of itself.

Pozderac: Which is why the interventionist role of sociopolitical organizations is our reality. Objectively differing interests and the inability to harmonize them in the institutions of the system (in large part because of the statist way of presenting them, which essentially disturbs their social basis) have been postponing many necessary solutions. This paralyzes the entire society and detracts from the overall efficiency of the economic and political system. Sociopolitical organizations are required to intervene when such blockades occur, but if they are to be able to do this, they must first have their own assessment and their own position. I agree with you that this is not the sole condition, and at times it is not even the most important condition, but it is a necessary one. This is the basis for making the transition from a basically comfortable and contemplative position on the part of those organizations and a neutralistic posture toward the present moment, to practical activity.

DANAS: It is obvious that those differences (as well as some others) are a consequence of the economic situation in the country, but also of certain other reasons and causes. However, the politicization of many problems of an economic nature is disturbing in that the provincial or republic bodies of leadership have been coming to the defense of the rights of their respective communities. We would not recall at this point where this might have taken us in certain other times, but even now there are those who think that in the political sense there is concern on the part of the working people and citizens for the fate of Yugoslavia, for its unity and for the unity of the League of Communists, for interethnic relations, and for the program of developing self-management.

Pozderac: Even in spite of the confusion and nervousness, which have gone so far as even to affect a portion of the members of the League of Communists, and in spite of the rather pronounced destructive wave of disputing all the achievements and attainments of the revolution by nationalistic and antisocialist forces, there is a very strong disposition for Yugoslavia to develop in the direction which has been won in terms of history, which leads toward unity and cohesion, but no longer toward unitarianism and centralism as in the earlier stages, for further development and strengthening of the achievements of brotherhood and unity and the equality of the nationalities and ethnic minorities, and for suppression and eradication of nationalism, separatistic tendencies, and irredentist plots; for the unity and strength of socialist self-managing Yugoslavia to be achieved solely through the self-management integration of labor as the basis of the new production relations. But there is also another factor here: Other structures are still making decisions as intermediaries instead of the working class and in its name, and that not only those in the administrative or political superstructure of society, but also those social factors, the supposed elites, whom the logic of defending their own privileged position or indeed even bare existence sets in opposition to socialist self-management and to authentic power of the working class.

It is no accident, then, that in a segment of the public, and indeed in part even in the League of Communists, the attack is usually directed against precisely those democratic innovations of our system which, were they applied and achieved as set forth in the constitution, would signify the most profound changes both in the quality of global social relations and also in the effectiveness of solving the specific issues in the daily lives of the working people and citizens. For example, this applies to the concept of the relationship of associated labor, the conclusion of self-management accords and social compacts, the delegate system, the position of the republics and provinces in the federal system, and the way decisions are made in the Federation. Incomplete as they now stand (in large part because of the inadequate and sporadic activity of the subjective factor), they turn out to be the principal causes of the situation of crisis in various sectors of social life, and they thus furnish occasion for demanding a revision of the system.

DANAS: Is it possible to criticize the situation in society without that criticism also being criticism of the League of Communists and other sociopolitical organizations?

Pozderac: No, of course not. Otherwise there would be no explanation as to why both the economic and political systems are functioning in such a deformed way relative to their goals, why sociopolitical life is flowing through other channels, other methods, and other decisionmakers than those inherent in the system. The process of decentralization and democratization of economic life has gone a very long way, but it has not been accompanied by an appropriate process of social integration on the new foundations, in which precisely the organized forces of socialist consciousness would confirm themselves as the strongest integrative and cohesive force.

This gap between the institutional and the extrainstitutional has been possible only on the basis of alienated decisionmaking in expanded reproduction, solely on the basis of the fact that because of the inertia of the old production relations and relations in distribution and the balance of power in society and in the system, the surplus value has continued to be taken away from associated labor, has continued to be concentrated, and has continued to circulate in the credit system, and there has been a tendency to maintain or indeed even to expand the wage relation.

DANAS: It is well known that there are differing opinions in the LCY on certain issues, which ought not to be particularly disturbing if there is a possibility of overcoming those differences. To what extent in your opinion will the 13th LCY Congress manage to reconcile those differences and define a unified program for Yugoslavia's development?

Pozderac: Taking heed of that idea of Marx that absolute agreement exists only in the grave, I would say that diversity of opinions is a fundamental feature of any democratic organization. That is why we should not fear disagreement and constructive unrest, since in their final outcome they lead toward unification and strengthening, rather than toward a weakening of the League of Communists. I would also add that ideological Puritanism is a feature of closed parties in which there is no life, in which ideological stagnation and monotony have put the main imprint on internal relations. An ideologically monolithic party appears to have strong and pure ideas, but in actuality it is without history and without a future, without the ability to turn its ideas into a force that can initiate movement.

We should, then, renounce illusions about monolithism, if they still persist, but at the same time we should not by any means renounce a unity built on democatic centralism. We have to become accustomed to differences, but only to that type of difference which does not jeopardize the basic ideological commitments of the League of Communists and unity in action. Nor is the platform for preparation of the 13th congress any exception in that regard. It itself bears the traces of that approach to a common solution. It is not the least common denominator of differing ideological currents which are evident in the League of Communists, but in all its parts it is concentrated on the essential strategic task of combating the bureaucratic and technocratic forces and their role in present social processes, and the struggle for development of socialist self-management as an integral social relation. It locates rather precisely the protagonists and methods of that struggle. It should not be forgotten that the platform is mostly based on the results of the public discussion of the Proposal of the Conclusions of the 13th Meeting of the LCY Central Committee, which was not uniformly favorable. There were also negative elements in it, all of which makes it imperative to conduct a deeper analysis, which is what the congress will have to do.

DANAS: How do you view the demands, which have not been small in number, that the League of Communists furnish answers to practically all the questions in social practice?

Pozderac: I think that the excessive concentration on having the League of Communists provide some sort of instant recipes for solving all social developments actually reflects the fact that it has still been largely operating in the old way. Which accounts for the impression that in society there are no other structures, that socialist protagonists have not been organized which have their own tasks in solving social problems. Nevertheless, no one can replace the leading, nor cohesive, nor interventionist role of the League of Communists and its responsibility for the overall situation in society.

DANAS: There are differing assessments concerning the question of the so-called federalization of the LCY: Some people think (and they find evidence in practice) that the LCY has even now been organized in a federalistic way, since it shares the fate of society, since however many elements of cohesion and community there are in society, there are the same number in the LCY; while on the other hand others think that the problem has been blown out of proportion. There is also the argument that the present situation has come about through the enforcement of principles in the bylaws concerning the place and role of the LC's of the republics and provinces in the LCY and that would mean that there should be a change in both practice and principles.

Pozderac: First of all concerning the syndrome of so-called federalization. Although it is not easy to distinguish what all this means in practice, a rather clear criterion is nevertheless offered. That is, for a long time now the League of Communists has been resolving a rather obvious problem in practice: How to strengthen the class-unity character of the vanguard without that necessary process growing into the creation of a centralistic type of organization that is over and above the nationalities, and at the same time to develop the independence not only of the republic and provincial organizations, but indeed of all the other organizations of the League of Communists, without at the same time feeding tendencies toward disintegration of both consciousness and action within the League of Communists, that is, the tendencies toward federalization.

For many analysts, especially for critics of our entire present situation, this kind of situation is above all the result of the new relations of self-management federalism. Without neglecting the importance of the impact of the political independence of the republics and provinces as self-managing principals on economic and political processes (especially because this process has taken no the forms of a strengthening of the role and influence of the government on all relations in society), a more significant fact needs to be taken note of. The processes of disintegration in the economy and elsewhere do not stop at the boundaries of the republics and provinces. We are witnesses that ties, customary business, and other work obligations are everyday being severed between producers that belong to the same vertical entity, very often within republic and provincial borders, within opstina borders, and indeed even within complex organizations and work organizations. They obviously cannot be explained exclusively in terms of the "interests of the nationalities" being set in opposition to the established institutional relations in the Yugoslav Federation. That is why I am deeply convinced that it is a good thing that the platform for the 13th congress pursues the deeper causes and roots of these processes, that it analyzes the real social and class foundation of differentiations and relations based on interest. It examines them above all in terms of the domination of the intermediary strata in social relations, in terms of the working class having been moved out to the margins of social events.

DANAS: There have been numerous discussions and debates about democratic centralism; in some you yourself have participated, some you indeed even stirred up. Put most simply, the question is whether a member of the League of Communists, say, in a workers' council, is bound by the views of his basic organization or delegate base, is a decision or position of the LCY binding upon all party members in the country, does the conclusion of a republic central committee bind all the bodies of the League of Communists in the republic, and so on?

Pozderac: I think that the Bylaws of the League of Communists of Yugoslavia leaves no dilemmas whatsoever with respect to the vertical arrangement of relations in the League of Communists of Yugoslavia, nor dilemmas about whether the League of Communists is a unified and sovereign organization.

DANAS: Nevertheless, when it comes to implementing the principle of democratic centralism within the LC, there is a certain amount of confusion, especially in practice, since it is not uncommon for the second part of this phrase to be used. One can even hear the argument that all party members are bound to carry out the decisions of the leadership regardless of whether they have had occasion to express themselves concerning those decisions. If that were the case, then the party members, say, at TV Pristina or at Pristina University should not have been responsible for their acts, since they were obeying the leadership.

Pozderac: The key to the last thing you said lies in the previous question. It is certain that the manifestations of relaxation on the part of the membership, in my opinion, are largely a kind of reaction to the bureaucracy that is still strong and the top-heavy operation through forums in the League of Communists. For example, liberalistic relaxation cannot be combated by establishing "bureaucratic order," by restricting democracy, and by imposing bureaucratic discipline in the LC and in society. Nor can this be overcome by allowing on behalf of that struggle a kind of "democracy" which would entitle any member or organization of the LC or any body in the administration of society to interpret social and political commitments exclusively from the standpoint of his or its own personal and partial interests.

I also see the causes of that kind of irresponsibility--and you have mentioned only its most drastic form--in the fact that complex forms of responsibility, as a consequence of the neglect of democracy, have been reduced solely to responsibility for carrying out the views and decisions that have been adopted, while responsibility for the choice of policy and methods and means of accomplishing them has been completely neglected. Those two types of responsibility must be very much emphasized, since radical adverse changes may occur even in the best policy, that is, they may undergo metamorphosis, their human and revolutionary content may be diluted because the methods of action to bring them about have been wrongly chosen. Here, I am referring among other things to the events in Kosovo, when the eruption of nationalism and irredentism resulted, along with a number of other causes, from the irresponsibility of a portion of the party members and leadership of the Kosovo LC in selection of the means and methods of achieving certain goals, of a reduction of democratic centralism to centralism all by itself. This, of course, does not diminish the responsibility of the membership for selection of those methods, but rather augments it, since there is the question of what they did to prevent that kind of policy and practice.

DANAS: Does it not seem to you that so far there has perhaps not been enough talk about the party, that there has not been an analysis of its activity in the system, that the meetings which have taken place have not been sufficiently concerned with Kardelj's vision of the role of the party: neither above nor outside, but within the system. It is precisely that fact, that the party is not yet operating in the way that was desired, that was pointed up by the recent discussion, and that has in fact been referred to as one of the causes of the present situation.

Pozderac: Performance of the social role of the League of Communists is not in line with its role in the bylaws and its constitutional role. And that is the central issue of our political system and thereby also of the activity of the subjective forces within it. Socialist self-management is undoubtedly a constant challenge for democratization of the internal relations and manner of operation of the LC. If the historical and political meaning of the existence of the LCY lies above all in the fact that it facilitates the most optimum development of socialist self-management, a distinction ought to be made--along with the truly sound demands for constant democratization of relations in the League of Communists--between the relations which take shape in society and the relations which were established in the League of Communists as a revolutionary organization.

As the revolutionary vanguard the League of Communists cannot equate its own system of organization and action and thereby also its organizational and structural separateness with the social organization of direct democracy.

7045
CSO: 2800/73

SCIENCE AND TECHNOLOGY ROMANIA

EXPANSION OF PHARMACEUTICAL INDUSTRY

Bucharest ROMANIA LIBERA in Romanian 23 Nov 85 p 5

[Interview with director general of the Industrial Central of Pharmaceuticals and Cosmetics Engr. Elena Dumitrescu, chairperson of the organizing committee of the National Pharmaceutical Symposium, by Ioana Patrascu]

[Text] The proceedings of the Third National Symposium on Romanian Pharmaceuticals in Bucharest concluded recently. Attending were more than 300 people -- pharmacists, chemists, physicians, research workers and members of university staffs -- who discussed matters pertaining to achievements and prospects in this major area. From an interview with Elena Dumitrescu -- director general of the Industrial Central of Pharmaceuticals and Cosmetics and chairperson of the organizing committee of this scientific meeting -- we selected a few details of interest to our readers.

[Answer] The Third National Symposium on Romanian Pharmaceuticals aimed at informing the participants, through the more than 170 scientific reports and surveys, about the diverse problems of research, testing, processing and utilization of medicinal drugs, under the general title "Recent Achievements and Prospects in Research and Production of Pharmaceuticals During the 1985-1990 Period." On this occasion, an assessment was made of the stage and evolution of activity in this industrial sector in Romania, designed to meet medical needs in the area of morbidity and in health care, generally.

[Question] What are the major ingredients in the development of pharmaceutical production?

[Answer] From the outset I would like to point out the fact that this sector has been making great headway all over the world, triggered by scientific and technological progres, on the one hand, and, on the other hand, promoted by the effects of the use of medicines: improvement of medical care, extension of the average life span, increase in population.

In this country the production of pharmaceuticals has developed at a fast pace, concomitantly with the other industrial branches, from period to period expanding its material base, so that it is now turned out in five large production units, located in Bucharest, Cluj-Napoca and Iasi.

Because its area of utilization has beneficial impacts socially, the pharmaceutical industry has constantly enjoyed attention and concern of our party and state, of Nicolae Ceausescu personally, reflected in its steady progress, modernization and diversification. Its accomplishments also are the outcome of the tremendous development of the chemical industry, as a key sector of the economy, the major successes and advances in this field having resulted, in the complex sectors of scientific manifestation, in research and production, from the untiring activity conducted by the eminent scientist -- academician Dr. Engr Elena Ceausescu.

At this point, the national pharmaceutical industry is turning out more than 850 basic types, presented in therapeutical products and active pharmaceutical substances. Being turned out is a wide gamut of antibiotics, sulphamides, chemotherapeutical drugs, cortisone products, tuberculostats, antidiabetes drugs. The Romanian pharmaceutical industry also is providing the whole therapeutical array of vitamins and a very broad range of analgesic, antipyretic and anti-inflammatory drugs. We may state that also well represented are medicines used in circulatory and blood afflictions, troubles of the respiratory, digestive, renal and nervous systems.

Furthermore, as a result of the implementation of the decisions of our party and state, production units were set up or modernized -- specifically during the last 20 years -- which have enabled the Romanian pharmaceutical industry to gain recognition and appreciation abroad, as a modern and complex production sector. Today, pharmaceuticals like Gerovital, Aslavital, Fosfobion, Sinderol, Boicil Tetraciclina, Penicilina, Sulfamida, Vitamina C and many more, turned out by our industry, are well known and appreciated throughout the world.

[Question] What is the involvement of research in the broad and complex process of pharmaceutical production?

[Answer] By its specific the pharmaceutical industry is the carrier of a large amount of scientific information, and its development is closely tied with the progress of basic chemistry: inorganic, organic, petrochemistry, of the existence of a modern and complex technology of fine organic synthesis, plant ex-extracts, biosynthesis, semisynthesis, all this being preceded by broad basic and applied research in which experts from various disciplines take part. The enormous amount of information incorporated in a medicine could also be expressed in the following example: one up to two pharmaceutical substances have the chance of being utilized from a volume of 10,000 chemical structures realized with supposed medicinal effects, as a result of various testing. Therefore, profound and long scientific research underlie every new product. The creative capacity of Romanian research has manifested itself in this domain as well, as it underlies many uniquely developed pharmaceuticals. In this context, noteworthy is the outstanding output provided by the research institutes in Bucharest, Iasi and Cluj-Napoca under the Ministry of the Chemical Industry and the Ministry of Health, in the area of promoting Romanian pharmaceuticals. Moreover, we must emphasize the output of the teaching staff in the development of this sector, through the comprehensive studies and surveys conducted.

While we discuss research we must also point out the fact that ensuring conditions for the development of complex scientific, technological and production activities also involved pluridisciplinary cooperation, for the purpose of continuously advancing the technical and qualitative standard of production, modernizing production processes, arranging for the production of new pharmaceuticals characterized by better quality and high therapeutical efficacy, making better use of native raw materials.

[Question] Because we have reached this item, please specify another matter. This country has a tradition as to using plants as a therapeutical source, also motivated by the great wealth of spontaneous flora in Romania. How are these plants utilized?

[Answer] Because Romania is a huge reservoir of medicinal herbs, emphasis has been placed on refining and diversifying the techniques for obtaining various active principles. The result has been a very diversified range of highly efficient therapeutical drugs. Noteworthy among them are Digoxina, Silimarina, Disebiom. Certainly, further study will bring about the enrichment of this therapeutical range.

[Question] Please outline a few current and future priorities in this realm.

[Answer] The development of the pharmaceutical industry as provided for in the Directives of the 13th Party Congress is mainly based on increase in the output of biosynthesis and fine synthesis products, on better utilization of resources of medicinal herbs, apicultural extracts and animal extracts. For the purpose of assuring the pharmaceuticals needed for protecting public health provisions for the 1986-1990 period anticipate rapid rates of development for the pharmaceutical industry: an annual average of 14.9 percent.

Special emphasis is placed on boosting the production of antibiotics, sulphamides and antirheumatoid drugs, of medicines required in combating cardiovascular diseases and for protection of the liver. Moreover, the range of products needed in pediatrics and obstetrics and gynecology will be expanded.

Special attention will be paid to utilization of native raw materials, use of novel medicinal herbs to obtain cardiotonic drugs and realization of medicinal drugs out of plants used in folk medicine.

All these lines of development, the efforts which they involve, actually, in the final analysis, aim at improving the status of health of the population, ensuring the vigor of our people.

11710
CSO: 2700/44

SCIENCE AND TECHNOLOGY

YUGOSLAVIA

SCIENTIFIC-TECHNICAL COOPERATION WITH EEC

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 26 Nov 85 p 3

[Text] Ecological research on the water of the Danube and the Bay of Trieste, investigation of the risk of earthquakes in urban areas, and also the synthesis of new chemical compounds are four projects which have just been initiated in scientific and technical cooperation between Yugoslavia and the European Economic Community.

These are the first projects of bilateral scientific and technological collaboration under the 1980 agreement between Yugoslavia and the EEC, said Mira Lukic, division chief in the Yugoslav Bureau for International Scientific, Technical, and Cultural Cooperation, in an interview with a TANJUG newsman.

The Community is using about $300,000 to finance approximately half of the costs of these projects. A part of that money, which comes from the EEC Fund for Cooperation With Nonmember States, will be used to purchase the necessary research equipment in the countries of the Community.

Performance of the projects adopted, which will take 2 to 3 years, has been entrusted to the "Sinisa Stankovic" Institute for Biological Research in Belgrade (waters of the Danube), the Biology Institute of Ljubljana University (the ecology of the Bay of Trieste), the Institute for Earthquake Engineering in Skoplje (seismic risks), and to the School of Engineering in Novi Sad (chemical compounds).

In the preparations for negotiations concerning the protocol on financial cooperation between Yugoslavia and the EEC over the period 1986-1990 there were hints that our country would receive outright grants from the budget of the Community for Scientific and Technical Cooperation With the EEC, which would have facilitated much more ambitious projects than is now the case. The draft of the protocol which Brussels finally offered, however, makes no provision at all for aid from the budget of "the 10."

EEC has agreed to cofinance only studies in the domain of environmental protection and seismology. Research on chemical compounds was added later. The Yugoslav side proposed 15 projects which would have covered such fields as information technology (the "Esperit" program), microelectronics, biotechnology, and genetic engineering and would have contributed significantly to the improvement of economic cooperation.

Yugoslavia has participated since back in 1972 in the multilateral program of scientific and technological cooperation "Cost" under EEC sponsorship, which is open to countries outside the Community in fields such as raw materials, medicine, and ecology. Studies of alternative energy sources, new materials, and other projects directly enhancing the competitiveness of national economies are intended, however, only for members of the Community.

The countries participating in the "Cost" program, aside from Yugoslavia, have now also become involved in the superb "Eureka" program, which is supposed to overcome Europe's technological lag behind the United States and Japan. In bilateral contacts with certain EEC leaders a favorable attitude has been shown toward Yugoslavia's possible participation, but official talks have not yet been conducted concerning this.

Yugoslavia is unquestionably interested in further improvement of scientific-technical cooperation with the EEC, and it is especially important in this connection to increase the number of fields "open" to our country. The content of the joint studies ought to be brought closer to Yugoslav interests, and stable funds should be furnished to allow for long-term planning and unhindered performance of the projects agreed to.

7045
CSO: 2800/74

COUNTRYWIDE PROGRAMS FOR MODERNIZING TRANSPORTATION-COMMUNICATIONS

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 22 Nov 85 p 4

[Article by R. Krcunovic: "The Focus Is on Modernization"]

[Text] Among the 16 joint plans and programs proposed in the Economic Chamber of Yugoslavia which are essential to the country's balanced economic development and have been sent for concurrence to the Federal Executive Council and Federal Bureau for Social Planning, 3 have to do with the sector of transportation and communications--the Yugoslav Railroads, PTT [Postal, Telegraph and Telephone Service], and maritime and river shipping. They have been put in this group according to the basic criteria that apply to all those chosen, and they have been reconciled with the basic elements of development policy and the production orientation set forth in the Social Plan of Yugoslavia.

Performance of these programs should among other things guarantee a strengthening of exports, especially those in a higher phase of manufacturing and based on domestic resources, technology, and know-how. They should speed up progress in engineering and technology and guarantee more rapid creation of productive new jobs and more optimum utilization of resources and a better-balanced structure of the entire economy.

Priority for the Main Line

The plan for development of the Yugoslav Railroads over the period from 1986 to 1990 directs the joint tasks toward modernization of main lines, first of all the line between Jesenice-Sezana and Djevdjelija for speeds above 120 km/hr and its branches for speeds higher than 100 km/hr and an axle load of 22.5 tons, at the same time eliminating bottlenecks. This is dependent upon performance of major repairs, reconstruction of lines, stations and junctions, electrification and installation of new safety signal and telecommunications equipment.

Provision is also being made for construction of new tracks and lines: Tuzla-Zvornik, Valjevo-Loznica, Plevlja-Prijepolje, Kicevo-Ohrid, and others. Particular attention will be paid to development of the operational communications system, to the use of integrated transportation, and to joint modernization. Within that framework there are plans to purchase 99 electric locomotives, 349 passenger cars, 14,061 freight cars, and other transportation facilities to enable the railroads to offer a larger volume of better-quality "door-to-door" services.

The financing of construction and reconstruction of priority infrastructural facilities on main lines will require 250 billion dinars, and rolling stock and equipment for integrated transportation 210 billion dinars. The sources of financing would be the railroads' own resources, domestic and foreign credits, mandatory pooling of capital, earmarked contributions from the retail prices of petroleum products, etc. However, the infrastructural facilities would be financed with outright grants by the republics and autonomous provinces, while their modernization would be done by sociopolitical communities, users of services, and the railroads.

A Bolstering of Communications

The joint plan of Yugoslav PTT enterprises makes provision in postal service for construction of main centers in Belgrade, Ljubljana, Sarajevo, and Split, while in telephone and telegraph service provision has been made for the "Central" coaxial cable transmission system, the JUPAK unified data transmission system, and a number of analog and digital transmission systems.

The program did not express the amount of money required to carry it out, but it emphasized the need for better organization and cooperation with volume users of services, with the domestic equipment industry, with tourist and other work organizations, and with sociopolitical communities.

Within the framework of the broader community, accordingly, measures are to be taken to bring the level of rates into line with the real value of services and so that the pace of rate-setting preserves the reproductive and investment capability of work organizations. There is also a need to provide foreign exchange rights and the terms and conditions for committing credit from the International Bank for Reconstruction and Development and the credit potential of the postal savings bank under more favorable [original reads "less favorable"] conditions for development of the PTT system. There is also a need to facilitate the importation of equipment which is not manufactured in the country with more favorable customs treatment. More rapid development of maritime and river shipping constitutes an important contribution to the progress of the entire economy. The program calls for renewal and modernization of the merchant fleet by building vessels in domestic shipyards, but also by purchasing new and used vessels abroad, for a total of 47 vessels and 5 service craft, with a total carrying capacity of 705,000 gross register tons to meet the needs of maritime shipping, while plans call for purchasing 16 pushboats, 95 push-barges, and 19 self-propelled freight vessels for river shipping.

The first step in carrying out this program is for the shipping industry to enter into agreement as soon as possible with domestic shipyards to establish the plan for construction of the fleet to meet these purposes. At the same time, the opportunity has to be created for importing vessels on the basis of mortgages, relieved of the obligation to give up the inflow of foreign exchange until the vessel is paid off out of its own operation.

The focus of development in this sector is primarily on renewing the fleet and strengthening its competitiveness. However, there are also plans to raise the level of modernization and adequacy of equipment of our seaports and riverports, to regulate new waterways and to maintain them better, and to purchase equipment so that integrated transportation can be used more consistently.

7045
CSO: 2800/74

SOCIOLOGY CZECHOSLOVAKIA

LEISURE TIME ACTIVITIES EXAMINED

Prague TVORBA in Czech 20 Nov 85 p 5

[Article by Oldrich Svic: "Not Recreation Alone"]

[Text] Puttering around in the weekend cottage or country house, usually connected with gardening or with recreational sports and tourism, has a long tradition in our country. Its expansion over the past 30 years ranks the CSSR among the first [countries] with this kind of leisure time occupation. Objective conditions were provided for its development mainly by the shorter work time and more free time, in other words, essentially by the changed structure of after-work time. This category includes the standard of services, with commuting to work, and above all, the standard of household equipment, including the housing standard. Among the objective factors which affect this kind of enjoyment of leisure time one should mention the unusually advantageous natural conditions existing within easy reach from our key industrial centers.

The heightened interest in the ownership of weekend cottages or homes in our country is determined to a major extent by the migration of our population; in the entire post-war period the population of small and average-sized communities has been declining and moving to communities with population over 100,000. The greatest increments in the period under observation were noted in the category of communities with population of 50 to 90 thousand, essentially the provincial centers. More than one-half of our citizens are now residing in such cities as well as in Prague and Bratislava. For comparison let us mention that in 1922 more than 70 percent of our citizens lived in communities with population under 5,000. Now, for example, in Prague on the average 28 out of every 100 citizens are able to spend weekends in their own place in the country; naturally, the standard of the furnishing of those places differs. Plzen is next with 25 per 100 citizens. Ceske Budjovice with 17, etc. By the same token, this scale denotes another aspect which may be regarded as objective conditions, i.e., the accessibility of recreational areas. Thus, such an opportunity is available is Ostrava to only 12 out of every 100 citizens in comparative income range, undoubtedly because actually the only accessible recreational area there is the Beskydy Mountains.

The high figures of the so called alternate opportunity of overnight lodging, however, also lead to negative consequences. The interest in certain concentrated areas of country cottages in the vicinity of Prague distinctly signals ecological problems; in addition, the density of housing is already negating the basic purpose of weekend recreation. According to the latest statistical research a particularly unfavorable indicator is the annual use rate--only 22.6 percent of the weekend cottages are used all year, 49.7 percent during the summer, and 27.7 percent irregularly.

On the other hand, an undoubtedly positive aspect is the increasing tendency to make use of the plots around the weekend cottages and homes, which is motivated by new legal amendments on the use of agricultural lands for gardening. This tendency compensates to a considerable extent for the reduction of agricultural lands which is taking place. Furthermore, the contribution of the garden areas on the outskirts of towns, where the less fertile agricultural lands are cultivated, is not insignificant. In all those cases one must bear in mind that this [activity] involves an essentially voluntary extension of the work time and is entitled to rewards not only in the form of relaxation. Naturally, we also know of instances where the family members work so intensively over the weekend that on Monday they find it difficult to pull themselves together in their regular place of work to meet the requirements of their jobs.

Despite such rather undesirable exceptions it is noteworthy that the amount of fruits and vegetables grown by these small producers is extraordinary. Without claims to accuracy, because most of the production is consumed by the producers themselves, one may realistically assume that they produce close to one half of all the fruits and vegetables in our country. Thus, this is an important factor in our overall production of fruits and vegetables.

In spite of the continuously increasing interest in country cottages and weekend homes it is obvious that more and more citizens will be forced to spend their weekends in public tourist facilities, of which the most common are campsites, recreational facilities of individual enterprises and of mass organizations, and last but not least, special recreational establishments. As for summer weekends, the lodging capacity, although far from sufficient, is at least adequate. Basic shortcomings appear in weekend lodging capacities of winter resorts. The parking areas in Spindleruv Mlyn, in Pec under the Mt. Snezka and in other centers of winter recreation are a bane not only of the visitors but of the local residents as well. The lines of people waiting for an hour for their turn on the ski lift, the shortages of hotels and facilities that would suit the needs of the tourists on hikes in the mountains--those problems can no longer be evaded with excuses about objective difficulties. Naturally, this applies to the insufficient production and operational capacities in restaurants as well. Facilities, such as the Kolinska Hut, Hotel Cerny and scores of other traditional mountain hotels and lodges have been closed for several seasons, which urges us to consider whether the traditional approach to the solution of those problems is applicable. Nothing can be saved by procrastinating--the opposite is true. Scores--and today in fact hundreds--of automobiles and autobuses proceed for a day-long trip from towns to the mountains and back, and the same route is repeated on Sunday. How much gasoline and oil is wasted in reality week after week? We know, for instance, that it is a 200 km ride from Prague to the mountains and back. And how much manpower is used in our economy for wasteful personal transportation, not to mention the negative effects--in terms of hygiene and health--on the recreation-seekers themselves? Would it not be preferable to find a radical solution to the above-mentioned problem and to judge this whole issue on its own merit?

9004/12951
CSO: 2400/74

- END -

JPRS-EER-86-005

15 January 1986

East Europe Report

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS-EER-86-005

15 January 1986

EAST EUROPE REPORT

CONTENTS

ECONOMY

YUGOSLAVIA

Data on Yugoslav Enterprises in Foreign Countries
(Jozo Previsic; EKONOMSKI PREGLED, No 1-2 Jan-Feb 85) ... 1

MILITARY

CZECHOSLOVAKIA

Wheeled Armored Personnel Carrier Described
(ATOM, No 9, 1985) 14

GERMAN DEMOCRATIC REPUBLIC

Background Data Provided on New Defense Minister
(Peter Jochen Winters; FRANKFURTER ALLGEMEINE, 18 Nov 85) 16

More Arrests Reported of Conscientious Objectors
(FRANKFURTER ALLGEMEINE, 18 Nov 85) 18

POLITICS

CZECHOSLOVAKIA

Daily on Importance of Peace Dialogue
(Editorial; RUDE PRAVO, 4 Dec 85) 20

RUDE PRAVO on 1988 Olympics Location
(Karel Bures; RUDE PRAVO, 20 Nov 85) 22

Husak, Ceausescu Open Bucharest Talks
(Prague Domestic Service, 11 Dec 85) 24

Prague TV Carries Phone-In With Soviet Commentators
(Prague Television Service, 4 Dec 85) 25

Prague Archbishop Protests Religious Policy
(Frantisek Tomas; Vatican City International Service, 19 Dec 85) 28

Sentencing of Juvenile for Murder, Other Crimes Explained
(Prague Domestic Service, 17 Dec 85) 31

Strougal Presents Awards to Acrobats, Speaks
(Prague Domestic Service, 11 Dec 85) 33

Daily on Trial of Currency, Silver Speculators
(PRAVDA, 27 Nov 85) 34

Daily on Albania's Increasing 'Realism'
(MLADA FRONTA, 29 Nov 85) 36

Briefs

Joint USSR Gas Projects 37

GERMAN DEMOCRATIC REPUBLIC

FRG Weekly Assesses Possible Honecker Visit
(DER SPIEGEL, No 48, 25 Nov 85) 38

POLAND

Urban on Detentions, U.S. Anti-Polish Propaganda, Polonia Firms
(Jerzy Urban; RZECZPOSPOLITA, 25 Nov 85) 41

Miodowicz on OPZZ Achievements, Difficulties
(Alfred Miodowicz Interview; ZYCIE WARSZAWY, 18 Nov 85) 44

Siwak Explains Complaints, Grievances Procedure
(Bydgoszcz Domestic Service, 13 Nov 85) 46

Party Organ Comments on Waste in Tarnow
(Jolanta Zajac; TRYBUNA LUDU, 18 Nov 85) 48

Daily Views Teaching of Recent Polish History
(Ewa Klosiewicz; TRYBUNA LUDU, 19 Nov 85) 50

PZPR Control Committee Plenum Held
(Warsaw Television Service, 23 Nov 85) 53

Unsatisfactory Party Work in Arts Noted
(Warsaw Domestic Service, 28 Nov 85) 54

Messner, Porebski at Science Exhibit Opening
(Warsaw Television Service, 9 Dec 85) 55

Accord With Ethiopian Party Signed
(Warsaw Domestic Service, 11 Dec 85) 56

Messner's Miners Day Speech
(Zbigniew Messner; Warsaw Television Service, 3 Dec 85) 57

Czyrek Opens Party Ideological Conference
(Jozef Czyrek; TRYBUNA LUDU, 28 Nov 85) 61

Bednarski Reports to Ideological Conference
(Henryk Bednarski; TRYBUNA LUDU, 28 Nov 85) 63

Orzechowski Discusses Party Program
(Marian Orzechowski; TRYBUNA LUDU, 28 Nov 85) 65

General Views Security at Party Conference
(Jozef Baryla; ZOLNIERZ WOLNOSCI, 30 Nov-1 Dec 85) 67

Ideological Conference Summations
(Jozef Czyrek; TRYBUNA LUDU, 29 Nov 85) 69

PZPR Control Commission on Cadre, Discipline
(TRYBUNA LUDU, 31 Oct-3 Nov 85) 72

Kalkus Views Worker Stand on Party Measures
(Stanislaw Kalkus Interview; ZYCIE PARTII, 6 Nov 85) 74

Czyrek on Socialist Peace Efforts
(Jozef Czyrek; NOWE DROGI, No 11, 12 Nov 85) 78

Szczecin Workers Mark 1970 'Tragic Events' Anniversary
(Teodor Baranowski; Warsaw Domestic Service,
17 Dec 85) 83

PZPR Ideological Commission Meeting
(Lech Winiarski; TRYBUNA LUDU, 13 Nov 85) 84

Briefs
Light Industry Minister in UK 86
Barcikowski Receives Ex-Servicemen 86
SD Delegation in Berlin 86
Szczecin Savings 86
Non-Food Items Sales Growth 87
PZPR's Wozniak at Cooperatives' Congress 87
Crime Decrease 87
Mokrzyszczak at Szczecin PZPR Session 87
Jaruzelski Meets Political Sciences Society Chairman 87
Szczecin Trade Union Statistics 88
Czyrek Addresses Party Lecturers 88
Barcikowski at Tuchola Housing Conference 88

YUGOSLAVIA

Croatian Judge Discusses Political Crime
(Zorica Nikolic; DANAS, 5 Nov 85) 89

Republics Vary in Prosecution of Verbal Crimes
(Djuro Zagorac; DANAS, 5 Nov 85) 95

SCIENCE AND TECHNOLOGY

BULGARIA

Summaries of Medical Research Into Environmental Concerns
(HIGIENA I ZDRAVEOPAZVANE, No 4, 1985) 98

GERMAN DEMOCRATIC REPUBLIC

Chemical Industry: Major Combines Describe Production Lines
(Hans Herbert Goetz; FRANKFURTER ALLGEMEINE ZEITUNG, 30 Aug 85) 102

Basic Chemicals Industry: Full Capacity Efficiently Achieved
(Wolfgang Kelm, Joachim Kund; CHEMISCHE TECHNIK, No 9, Sep 85) 105

HUNGARY

Journal Articles Enumerated
(MAGYAR ELEKTRONIKA, No 2, 1985) 116

Hungarian Rapid Fourier Analyzer
(Gabor Rajkai; MAGYAR ELEKTRONIKA, No 2, 1985) 119

Programmable Attenuators
(Istvan Haraszti, Gyorgy Sasdi; MAGYAR ELEKTRONIKA, No 2, 1985) 120

U 400 EBM 8 Bit Parallel Multiplier
(Tibor Tuzson, Janos Erdelyi; MAGYAR ELEKTRONIKA, No 2, 1985) 124

SOCIOLOGY

YUGOSLAVIA

Sociological Background of Nationalist Events in Split
(Viktor Meier; FRANKFURTER ALLGEMEINE, 26 Nov 85) 126

ECONOMY

YUGOSLAVIA

DATA ON YUGOSLAV ENTERPRISES IN FOREIGN COUNTRIES

Zagreb EKONOMSKI PREGLED in Serbo-Croatian No 1-2 Jan-Feb 85 pp 61-70

[Article by Jozo Previsic: "Yugoslav Production Enterprises Abroad"]

[Text] Past investments by Yugoslav OURs [organizations of associated labor] in enterprises abroad have not had any significant role in the foreign trade policy of our country. It was only at the beginning of the 1970's that this form of cooperation with foreign business became a more significant element of foreign trade policy, and during this decade, a larger number of enterprises are being opened abroad. Until then, economic activities abroad were mostly conducted by business units, and less through our trade enterprises abroad[1]. A very small number of the enterprises abroad were production enterprises. It has only been in the last few years that Yugoslav enterprises have been more inclined to open production enterprises abroad; this was particularly evident following the adoption of the 1977 Law on Conducting Economic Activities Abroad[2].

It is obvious that our economic system has not given sufficient attention to this form of cooperation with foreign business. Individual sporadic cases were more the result of solving some immediate problems of the founders in Yugoslavia than of a comprehensive and systematic approach by the Yugoslav economy as a whole. Nor is the present situation, in spite of the existence of a larger number of production enterprises, the result of a systematic approach. However, the situation is such that in the near future one may expect the formation of a comprehensive system for the Yugoslav economy's approach in opening production enterprises abroad. It is precisely the OURs and the economic chambers that are demanding that the Federal Executive Council [FEC] and its agencies reexamine the existing legal regulations on investments abroad and that they give greater weight to this form of cooperation with foreign countries in current economic policy measures.

The failure of a significant number of production enterprises abroad in the past should be a significant reason for a more thorough discussion of this problem. It is obvious that the absence of this problem from public attention and the complete lack of any analyses or research on the existing results of past investments abroad lead to an unplanned approach in foreign markets, the results of which to date cannot satisfy us. Around the middle of 1981, a public discussion began concerning the transformation of our foreign trade network abroad, but at that time the opportunity for a discussion of our production enterprises abroad as well was missed.

1. Survey of the Existing Production Enterprises Abroad

Every enterprise abroad, even a production enterprise, has to be registered with the SSVT [Federal Secretariat for Foreign Trade], where the Registry of Enterprises Abroad is kept. According to the data from the SSVT Registry, in 1983 the Yugoslav economy had 319 enterprises abroad, of which 13 percent or 40 were production enterprises.

Of the total number of enterprises abroad, as many as 66 percent were fully owned, and 34 were mixed. This trend toward holding full ownership in an enterprise abroad was more pronounced with trade enterprises than with production ones. The percentage of fully owned enterprises (100 percent owned by Yugoslav OURs) in the total number of enterprises is 66 percent, while it is only 1/4, or 25 percent, for production enterprises. Full ownership is more pronounced for enterprises located in the developed countries (Europe, North America, and Australia) than in the developing countries (Africa, Asia).

The spatial distribution of enterprises abroad is very unequal. Most of the enterprises are located in developed regions, and only a smaller portion in the developing countries. This is characteristic of both trade and production enterprises.

It appears from the data presented that Yugoslav OURs are opening production enterprises in the countries in which Yugoslav trade enterprises already exist. This means that trade enterprises are usually the precursors of production enterprises. It is only in 5 countries (Algeria, Guinea, Malta, Mexico, and Ecuador) that production enterprises exist and trade enterprises do not.

The existing 319 enterprises abroad are located in 45 countries on all 6 continents. The production enterprises abroad are located in 24 countries on 5 continents (not a single Yugoslav production enterprise exists in Australia).

Table 1.

Yugoslav Enterprises Abroad

Location of Enterprises	Total of Enterprises		Production Enterprises	
	as %	% fully owned	as %	% fully owned
Africa	13	39	42	18
Australia	2	67	-	-
Asia	2	50	3	-
Europe	68	69	37	40
South America	2	80	3	-
North America	13	74	15	17
Total	100 (N=319)	66	100 (N=40)	25

2. Economic Activities in Which Investments Were Made in Production Abroad

The investments of Yugoslav OURs abroad have mostly been aimed at expanding the trade network in foreign markets (business units and trade enterprises)[3], and only to a smaller extent at production abroad (production enterprises).

Of the total of 40 production enterprises abroad, 24 were founded in developing countries, and 16 in developed countries (the United States and the European countries). Of these 24 enterprises in developing countries, 14 were established for the mining and lower-level processing of mineral resources, and to secure necessary raw materials that are in short supply in the Yugoslav economy. Most of them are wood-processing enterprises that deal with the cutting and processing of exotic wood, following by chemical-pharmaceutical enterprises that process raw materials for the needs of Yugoslav producers of medicines, chemicals, oil, and metal products. Purely production enterprises, whose production is based on Yugoslav technology, are mostly in the field of the electrical industry, and to a smaller extent in the metal processing industry. The business of these enterprises is based on continually importing parts from Yugoslavia and completing them, with a small amount of additional processing, or even only assembly as part of their object of business.

3. Investments in Production Enterprises Abroad

The main motive for investments for capitalist enterprises is the profit resulting from following an aggressive marketing strategy in multinational marketing. For Yugoslav production enterprises abroad, profit is not and must not be the dominant purpose of investment. Yugoslav investments are based on the coproduction strategy followed by Yugoslav OURs in their approach to the world market (coproduction marketing). Even in cases in which a Yugoslav OUR (or several OURs in cooperation) is the exclusive owner of a production enterprise abroad, one can speak of coproduction, i.e. the future coproduction between the newly established enterprise abroad and the parent OUR in Yugoslavia. Coproduction is the framework that contains the purpose for direct Yugoslav investments abroad, and a production enterprise abroad is exclusively a means for achieving that purpose. Although a Yugoslav enterprise abroad is organized in one of the forms of capitalist trade societies (which is its external form), the essence of the operation of such an enterprise is not foreign to the socialist self-managing order. Here it is necessary to distinguish the external form from the content of business based on coproduction.

The Yugoslav economy has as its purpose the contruction of permanent production cooperation with the foreign producers, and a permanent presence in foreign markets, while respecting and taking into account the development aims and the sociopolitical, social, and cultural characteristics of the country in which the production enterprise is established. In this way, the Yugoslav economy, together with the economy of the country in which the Yugoslav production enterprise is located, participates in international production cooperation and in the flows of the international market, while using its own production capacity.

In spite of the fact that profitable operation is not the basic or exclusive goal of direct Yugoslav investments abroad, it is and must be one of the goals of such a means of operation. Thus, it is not the main and exclusive goal, but it is of course one of the goals. The significance of profit for an individual Yugoslav enterprise abroad depends primarily upon the object of the business and the motives for opening each individual enterprise. But profit is the result of good management of social resources which are entrusted to Yugoslav producers, and the result of good business; and that is the goal of every producer.

Securing raw materials and semifinished products is the aim of a large part of direct Yugoslav investments, especially for the founding OURs whose production is based upon such raw materials and semifinished products.

The contribution of the Yugoslav founder has very often been manifested in exports of Yugoslav equipment, the performance of work, or the supply of the technical knowledge and organizational and management skills, and this has resulted in a smaller expenditure of foreign exchange resources and less use of credits by the Yugoslav founders.

Along with the above-mentioned goals, one should also mention bypassing various protectionist measures and customs and other restrictions, and reducing transportation costs.

Of all the goals presented, the most important has naturally been increasing the exports of Yugoslav products and services to foreign countries, either in the form of the founding contribution upon the establishment of the enterprise, or in the form of the marketing of semifinished and finished products in a foreign market.

Since we do not have enough capital even for our own accumulation (for which we are taking foreign credits), a surplus of capital cannot be the reason for direct Yugoslav investments. The reason is marketing our own products and services in a foreign market, and securing raw materials and semifinished products for industries that are short of domestic raw materials.

Most of our OURs have limited marketing opportunities in the Yugoslav market. The large OURs, which would produce large amounts with low production costs and which could compete with world producers, must market their goods in a foreign market. The possibility of selling goods elsewhere in the world is proportionate to the quality and price of the products and services offered, and this is a consequence of our production costs, better organization of labor, and correct use of marketing; this in turn is as a rule associated with the large OURs, since only relatively large OURs can become involved in direct investments abroad. Since we do not have capital, we can invest nonmonetary resources (technology, goods, services, and engineering). In addition to this, our manufacturing capacities need raw materials that we do not have, or that we do not have enough of. We have therefore been forced to acquire them from foreign countries.

4. Yugoslav Capital Invested in Production Enterprises Abroad

It is difficult to speak of the amount of capital invested in Yugoslav enterprises abroad to date, for several reasons. All of the data related to direct investments abroad are an official secret (article 5 paragraph VI of the Law on Conducting Economic Activities Abroad), and the founders themselves are reluctant to yield them. Furthermore, the founding capital in enterprises abroad that is recorded as the fundamental capital of the society does not have to be paid in full. Also, the data on the capital recorded are not realistic, since in the meantime, in the course of the enterprise's work, its amount has changed (usually it has increased through new investments and the accumulation of profit). In addition to the difficulties cited, it is frequently the case that the capital invested is expressed in local currency, and so it is extremely difficult to establish a uniform value expressed in one of the well-known currencies (the U.S. dollar, for example) in order to recalculate the value in accordance with official exchange rates. This means that these data have a relative value for use.

According to 1966 data[4], the value of the investments of Yugoslav founders in enterprises abroad was almost $4 million, while in 1980[5] it was estimated to be more than $60 million. This means that the capital invested in enterprises abroad increased more than 20 times during a period of 14 years, and that during the period under discussion, 1966-1980, it increased by an average of 24 percent annually.

According to our estimates[6] the capital invested in Yugoslav enterprises abroad in 1983 had a value of $600 million, $252 million of which was in production enterprises. Since no enterprises were established during the period 1980-1983 with high participation by Yugoslav founders, we feel that the value of $60 million for 1980 is very underestimated.

The Yugoslav share in the above-mentioned 40 production enterprises abroad is $252 million, but the value of the total founding capital in these production enterprises is $277,335,000. This means that the investment of the Yugoslav founders is larger than 90 percent. There are fairly large differences between individual areas, however. Yugoslav investments in production enterprises in the developing countries constitute 85.28 percent of all investments, which amounts to $215 million, while the investments in the developed countries are only 14.72 percent, or $37 million. The largest portion of the capital is invested in the African countries (84.82 percent), followed by the European countries (14.55 percent), etc.

The largest individual investment by a Yugoslav founder is $122,305,643. The lowest investment in founding capital is $1,152. In 7 production enterprises abroad, the Yugoslav founders individually have a share of more than $1 million in the founding capital. The lowest share in percent in the total value of the founding capital of a Yugoslav founder is 4 percent, but in absolute terms this is all of $1,742,000.

Because of the fact that in most cases the founding capital of an enterprise abroad is increased by an additional registration of capital or the accumulation of profit, it seems to us that the value of the investments of the Yugoslav founders, $300 million, should not be overestimated. But it is also necessary to take into account the fact that some production enterprises abroad have "swallowed" not only their own accumulation, but also additional funds from the Yugoslav founders, moreover in order to cover operating losses, and so this makes the estimated value even higher.

The significance of the values cited on a worldwide scale is indicated for us by the fact that in 1978, the total value of direct investments abroad by firms in the United States was more than $14 billion, as compared to almost $3 billion for West Germany, $2.3 billion for Japan, etc.

In cases in which the investment by the founder consists of nonmonetary goods, the problem of establishing the real value of the investment arises. In practice, an investment in kind, is usually assessed according to the criteria established in the agreement on founding the society, unless the law specifies otherwise.[7]

In addition to an investment in kind, Yugoslav founders have also used their own financial resources or bank funds (credits). In contrast to trade organizations of associated labor, production OURs have used bank credits more often than their own funds. Uncontrolled indebtedness to foreign banks for the founding investment, and especially for working capital during operation, has put some Yugoslav enterprises in a very difficult financial situation. In practice, a tendency has been observed for the founders to give credits to enterprises abroad more often and more abundantly than required by the operation of the enterprises abroad. The reason for this is the fact that in this way part of the profit returns to the parent enterprise in the form of interest (which has made it possible to avoid restrictions on transferring profits and to avoid taxation).

In cases when it has been necessary for an enterprise abroad, in accordance with the regulations of the country in question, to register the owner of the share (founder), a physical person (the chief director of the enterprise abroad or one of the members of the managing board) has often been registered as the owner instead of the Yugoslav OUR.[8] In such cases, the Yugoslav founder appointed an individual from its own OUR (usually the director) in whose name the Yugoslav portion of the ownership was recorded. At the same time, a statement was taken from these individuals that they renounced ownership of the portion of the Yugoslav investment in the enterprise abroad and the profits earned in favor of the real owner, the Yugoslav OUR.[9]

5. Founders of Production Enterprises Abroad

A decision to establish an enterprise abroad is made by a management body in the OUR that intends to found an enterprise abroad or to invest funds in existing enterprises abroad (article 4 and article 15 paragraph II of the Law on Conducting Economic Activities Abroad). This decision must contain information about the object of activity, the business program, and the financial indicators, and a report on the economic justification for the founding; the decision is made by any OUR autonomously in accordance with its own assessment, while adhering to the prescribed legal conditions.

Of the total of 40 production enterprises abroad, 59 percent of them were founded by OURs headquartered in Slovenia, and of the total of 16 enterprises located in the developed countries, all of 88 percent were founded by founders from Slovenia. The founders of all the production enterprises abroad are OURs from 5 socialist republics and 1 autonomous province, while OURs from Montenegro and Kosovo do not have a single production enterprise abroad.

The data on the regional distribution of production enterprises abroad with respect to the headquarters of the founder indicate that the representation of founders by republic-provincial origin has been balanced to some extent only in the African and North American countries. In Asia, Europe, and South America there are only enterprises whose founders are from Slovenia.

If several OURs jointly (in a consortium) found an enterprise abroad, then they are obligated to attach a self-managing agreement on regulating their mutual relations to the request for founding (article 15 paragraph IV of the Law on Conducting Economic Activities Abroad). The self-managing agreement particularly settles the following: authorization for representation and agents, the rights and obligations of each of the founders with respect to the enterprise abroad, the purpose for founding the enterprise, the nature of its activity, control over operations, the share in the founding investment, the way in which profits are distributed, the transfer of profits to Yugoslavia, the conditions for changing the amount of the founding capital, termination of the enterprise's operation, etc.

In cases in which, in addition to several Yugoslav OURs, foreign partners (one or several) are also founders, the Yugoslav founders first conclude a self-managing agreement among themselves, and only afterwards begin concluding a contract with the foreign partner or partners. The conclusion of this contract precedes the establishment of the enterprise abroad.

The contract determines the mutual relations of the Yugoslav and foreign investors with respect to the goals of the establishment of the enterprise, the nature of the business, the founding capital, etc. It is particularly important to work out precise provisions on mutual relations in carrying out the functions of the administration and management of the joint enterprise (the selection of management and supervisory bodies, the way in which decisions are made, etc.). The Yugoslav founders must also take into account the fact that the contract on establishing a joint enterprise must also necessarily include provisions on solving any disagreements among the partners, and sanctions for failing to abide by the provisions agreed upon.[10] Particular attention should be given to the method for making decisions of vital significance for the operation of the enterprise, in accordance with the regulations of the country in question,[11] and taking into account the regulations dealing with the protection of minority ownership and the protection of foreign investors.

Of the 40 production enterprises abroad, 10 are fully owned by the Yugoslav founders. There are only 4 enterprises where the founders are several Yugoslav OURs, however; 2 are enterprises that were each founded by 2 Yugoslav OURs, 1 enterprise was founded by 3 Yugoslav OURs, and 1 by 4 OURs.

Of the 30 mixed enterprises, the Yugoslav founders have a majority share in 18 of them (50-99 percent ownership), and a minority share in 12 enterprises (1-49 percent ownership). There are only 2 enterprises where the Yugoslav founders have less than a 25 percent share in the basic capital: 4 percent ownership at one enterprise and 19 percent at the other.

This trend toward full or majority ownership by the Yugoslav founders is even more pronounced in trade enterprises abroad. Of the total of 279 trade enterprises abroad, 200 are fully owned, and only 79 are partially owned by Yugoslav OURs.

In regard to the economic activities of the founders, we can state that the Yugoslav founders are primarily from the electrical industry and chemical-pharmaceutical complex (16 OURs), while other economic activities are represented to a lesser extent. The category of other activities includes OURs (13) from the textile, food, and lumber industries, and producers of sports equipment.

Usually the activity of the founders abroad is the same as the activity of the founders in Yugoslavia. This is natural, since the Law on Conducting Economic Activities Abroad, article 5 paragraph 11, states the OURs can conduct activities in enterprises abroad that are within the limits of the activities that the OURs conduct in Yugoslavia and for which they are registered in the court registry.

6. Mutual Relations of the Founder and the Enterprise Abroad

In founding a production enterprise abroad, it is essential to establish the mutual relations of the founder and the founded enterprise, and if the enterprise is a mixed one, the mutual relations of the founders. The type of relations is determined by the legal organizational form of the enterprise founded abroad, the documents regarding the founding, and the contract between the founders, which will be adapted to the goals of the founding and the nature of the business of the enterprise abroad.

In practice, the form of mutual relations is not sufficiently generalized, but it is necessary to establish accurately and precisely the obligations and rights of the founders and the founded enterprise within the framework of the planned cooperation in future business.[12] This particularly applies to the Yugoslav founders, since we have determined that the two main goals vital to our founders are increasing exports of their own products and services to foreign countries, and importing the raw materials and semifinished products that they need. In practice, it has frequently happened that the originally established goals of the founders were not met later on. This particularly applies to the Yugoslav founders of enterprises in Africa for the cutting and processing of exotic woods, but this also occurs in other industries.[13] In this way relatively large investments later turned out to be barren.

It is necessary to provide for rigorous sanctions, which will have a preventive effect upon possible violators, for failing to adhere to the goals set for the operation of the enterprise and to the contractual obligations of the founders in mixed enterprises (especially those in which the Yugoslav share is a minority one). It is also necessary, if the laws of the country in question permit this, to have the documents on founding the enterprise abroad provide for a method of decision-making that will allow for adequate protection of the minority investor (at least that decisions in a meeting must be made by a 2/3 majority).

The management personnel at Yugoslav enterprises abroad are mostly from the ranks of the founding OUR, if the enterprise is fully owned or if it is partially owned but the Yugoslav founder has a majority share. In practice, it is most often the case that most of the management personnel come from the ranks of the founder. If the Yugoslav founder has majority ownership, then usually some of the management personnel are from the ranks of the Yugoslav founder (usually one of the directors, or a deputy director).

Past experiences with transferring profits to Yugoslavia have not been the best, for several reasons. The first is of course that a large portion of past Yugoslav production enterprises abroad not only did not have any profits, but rather operated at a loss. The second reason is that the accumulation of the enterprise abroad itself, and additional funds from the founders, were used to increase the basic capital in order to expand business. The third reason is the fact that sometimes the Yugoslav founders themselves invested the profit earned in other enterprises abroad. One of the reasons, naturally, is that the Yugoslav founders avoided bringing the profit back to Yugoslavia because of the existing situation with the shortage of foreign exchange. Consequently, in various ways they have avoided their legal obligation for the mandatory annual transfer of part of the profit to Yugoslavia (article 15 paragraph II of the Law on Conducting Economic Activities Abroad, in accordance with article 25 paragraphs I and II of the same Law).

7. Past Results in the Operation of Yugoslav Production Enterprises Abroad

For every investor in enterprises abroad, and thus for Yugoslav OURs as well, the results achieved in the operation of the enterprises abroad are most important. We can view the results in terms of the various forms in which they are manifested. The most important forms are the following: profit earned in relation to the investment made, achievement of the planned goals of the investment, and business experience in international production cooperation.

It is very difficult to analyze the profit earned from the investments of Yugoslav OURs in production enterprises abroad, for several reasons. In addition to the lack of data on the balance-sheets of enterprises abroad, one of the main reasons is the relative useable value of such data. In the operation of enterprises abroad, it is a well-known practice for the profit earned not to be shown in the accounts, or to be shown as less in order to avoid tax obligations and restrictions on the transfer of profit. On the basis of analyses of five actual cases [14], we can conclude that some of the enterprises abroad not only operated at a loss and thus reduced their basic capital, but also went into liquidation or bankruptcy because of poor business. Some enterprises probably use the profit they earn to cover operating expenses, and we assume that there are also enterprises abroad that used the profit they earned to repay the capital invested by the Yugoslav investors and provide some earnings.

The Yugoslav Law on Conducting Economic Activities Abroad offers two possibilities with respect to the use of profits earned from investments in enterprises abroad. The first is that the investor transfers the profit he has earned to Yugoslavia, at least in the amount cited in the request for opening the enterprise abroad (article 15 paragraph II point 1 and article 18 of the Law). The other possibility is that the investor invests the profit earned in an existing production enterprise in order to expand production or in some other enterprise in the same country or a different one (article 24 paragraph I points 1-5 of the Law).

The competitive power of Yugoslav OURs abroad is very weak. This has resulted in the payment of high purchase prices in bidding and concessions for mineral and forest resources, and the occurrence of corruption (especially in some developing countries) when the enterprises are being established, in order to obtain permits and approval for operation, and to ensure future production and a market. Such a practice has been fairly widespread in the operation of some Yugoslav production enterprises abroad, and the result of this has been uncontrolled behavior in the international market under the conditions of very sharp competition with Western and Eastern international firms and their branches in the countries constituting the market. The result of all of this has been giving up on our sociopolitical commitments, wth the explanation that such actions were quite necessary in the conditions prevailing in these markets.

Past experience in doing business with foreign countries through our own production enterprises has made it possible for both the OURs themselves and also administrative and legislative bodies to acquire certain information. The consequence should be a more realistic view of the conditions, problems, and operation of enterprises abroad.

Practice indicates that the approach of Yugoslav OURs to the foreign market is mainly fragmented, disorganized, and unprepared, some systemic issues have not been resolved, the social criteria are unclear, Yugoslavia's credit possibilities are relatively small, the competition with the traditionally present international firms is sharp, the foreign capital of both the highly developed capitalist and East European countries is present, and there is a fairly poor choice of foreign partners for joint investments.

The assistance from Yugoslav business banks in the establishment and operation of production enterprises abroad is often very slight. The credit committees are inefficient, a long time is spent waiting for guarantees, and the OURs' collection of their own funds often takes place very slowly.

Unnecessary waiting periods in the administrative procedure, for various approvals and documentation, are rather exhausting and make foreign investment more expensive.

There is a fairly significant problem with communications in the operation of production enterprises abroad and of the parent OURs in Yugoslavia. In a few

OURs, there are separate sections or services responsible for the operation of enterprises abroad, while in most OURs an individual takes care of enterprises abroad, usually the general director or one of his assistants. Such a system of communications has been shown to be extremely poor, since most of the employees are thus cut off from information about their own enterprise abroad and the activities concerning it. The problem is also increased by the way in which the responsible individual in Yugoslavia usually keeps most of the information (or the key information) exclusively for himself or for a narrow circle of management personnel in the parent OUR, considering all information about the operation of the enterprise abroad to be a business secret.

The personnel function has been very poorly conducted in the past practice of Yugoslav enterprises abroad. Those appointed as managers abroad are often people with unstable morals, who do not know foreign languages (not even the language of the country where they are sent to manage the enterprise), inclined to satisfy primarily their own interests, and, which is particularly important, inclined to conceal the correct and true information about the operation of the enterprises abroad that they manage.

The Yugoslav investors have not always been careful enough in selecting the partners, especially foreign physical persons.

In cases in which the enterprise abroad is linked to the parent OUR in Yugoslavia by subcontractor relationships, the parent firm has not always fulfilled the obligations it undertook on time or in accordance with the conditions established.

Opening production enterprises abroad is sometimes viewed primarily as a political act, and only then as an economic one, which has had serious consequences for the operation of the enterprises.

A significant reason for the frequent failures of Yugoslav enterprises abroad is the lack of funds for larger operations and the disunity and distrust among the Yugoslav producers; this has often resulted from a fear of losses, and in this way initiative and any at all risky undertakings have been hampered.

In conclusion, one should answer the question: for what purpose have Yugoslav production enterprises abroad conducted their activity? Has it been for the isolated interests of a certain group of management personnel in the OURs, the group business interest of the parent OUR, the social regional (republic or provincial) interest, or the social interest of the country as a whole? The past results of the operation of enterprises abroad indicate that this is frequently a question of satisfying the group business interest of the parent OUR or the regional interest. Sometimes, the opening of an enterprise abroad is in the interest of a certain group of management personnel in the parent OUR or both interests are conjoined; the broader social interest of Yugoslavia as a whole has very rarely been taken into account.

Such a practice has led to a conflict between the political basis for international production cooperation and the economic conduct of the enterprises abroad with respect to the goals set. In order for us to participate in the production competition in the world market, we paid an entry fee of several hundred million dollars, and we are still waiting for the results.

Footnotes

1. Of more than 1,000 units abroad in 1975, more than 700 of them were business units, and the rest were financial establishments and enterprises.

2. SLUZBENI LIST SFRJ, No. 15/77. Afterwards the Law was changed and supplemented, and the full text was published in SLUZBENI LIST SFRJ No. 5/82.

3. Most of the trade network is engaged in mediation and representation, and only a small part of it with classic trade business (buying and selling goods with one's own funds). The consequence of such an approach is that Yugoslav trade societies abroad earn most of their income by taking commissions from the production OURs for the services they render in exporting or importing goods. In such business the business risk is exclusively the affair of the producer, and trade does not share in it.

4. M. Zivancevic, R. Prica, and D. Mitrovic: "Direct Investments Abroad," Institute for Foreign Trade -- Studies for Jugobanka, study no. 8, Belgrade, 1973, p. 317.

5. M. Jovic: "International Coproduction Marketing," Informator, Zagreb, 1982, p. 131.

6. We made the estimate on the basis of the capital registered in accordance with the SSVT Registry, while converting all values expressed in local currency into U.S. dollars at the average official exchange rate for the specific years.

7. Some countries avoid having the founders themselves estimate the value of their investments in kind. Thus, for example, state agencies make the estimate in the United States, Mexico, Colombia, and Greece, and experts appointed by the board of the society assess investments in kind in France, Brazil, Turkey, Ecuador, etc. In West Germany and Italy, the estimate is made by a court. The laws of Argentina, Peru, Belgium, and Great Britain do not specify a procedure for assessing an investment in kind, and it is left up to the partners to settle this themselves.

8. In some countries, the owner of the Yugoslav enterprise is a physical person even when the law of the country in question has not required this. The reason lies in the fact that such a person (usually from the ranks of the founder) does not have to request permission to work in the country in question, since he is the owner of the enterprise founded. A work permit for a foreign citizen may be denied because there are domestic citizens who have the qualifications to conduct the same activities.

9. The real "value" of such statements is best indicated by the frequent occurrences of these physical persons "usurping" the already registered ownership, and refusing to return to Yugoslavia -- see "Recommendation on Eliminating and Curbing Illegalities and Irregularities in the Operation of Enterprises Abroad," NARODNE NOVINE SRH, No. 10/1976.

10. For example, that the enterprise abroad does not fulfill its contracted obligations with respect to exporting or importing certain goods or services of the Yugoslav founders, etc.

11. The Dutch firm Philips, which since 1979 has owned a 24.5 percent share in the basic capital of the German firm Grundig, expressed its intention (according to a statement by the majority owner Max Grundig), of increasing its share by 0.5 percent in 1984. This insignificant percentage would have far-reaching consequences, since it would make it possible for Philips, with a 25 percent share in Grundig, to have the right to veto all major business decisions.

12. Such as, for example: an enterprise abroad will purchase such and such a value or amount of precisely designated products from the founder in Yugoslavia, or use a precisely set value of services, or the enterprise will primarily buy or sell the products of the founder, and so forth.

13. The case of the establishment of the enterprises Socabois in Cameroon (lumber), Slovenia Bois in the Central African Republic (lumber), Cibalija in India (the production and processing of leather), etc.

14. The Yugoslav enterprises analyzed were Gorenje Korting Electronic Gmbh und CO KG, Elan Sportartikelerzeugung und Handelsgeselschaft mbH, Meblo Italiana SPA, Socabois SA, and Podravka Gartenberg Konservefabrik Gmbh.

9909
CSO: 2800/13

MILITARY CZECHOSLOVAKIA

WHEELED ARMORED PERSONNEL CARRIER DESCRIBED

Prague ATOM in Slovak No 9, 1985 p 12

[Text] The wheeled armored personnel carrier 5937 is a battle vehicle of Soviet manufacture used by the Warsaw Pact countries' armies and equipped according to its specific uses. The vehicle has three axles with an all-wheel drive, is highly mobile, and has amphibious capabilities. The body is of pontoon type and built of welded steel plates divided into two waterproof chambers. The 4-cycle, 6-cylinder, diesel engine is rear mounted in the V shape. It has a direct fuel injection and is liquid cooled. Together with the transmission, it is attached to the frame at four points. The engine torsion is transferred by way of a dry, friction clutch with hydraulic power assist from the mechanical 5-gear transmission and an additional 5-shaft auxiliary transmission that is equipped with a differential to join the axles. The movement is transmitted from the auxiliary transmission to the transmission and to the wheel reduction gear through the connecting shaft. The auxiliary transmission driving mechanism, located behind the engine, is driven by one connecting shaft. The vehicle has an independent wheel suspension. The control of and changes in tire pressure are exercised by the pressure regulator. The dual power assist mechanism ensures wheel chamber to the desired direction, and, at the same time, the camber of the rear axle wheels. The wheel brakes are hydraulically controlled and the hand brake is of the hand-lever type. The water navigation mechanism consists of two water-jets with a drive from the transmission. The water-jet covers control the turning and reverse maneuvers. The carrier is equipped with a pumping filter-ventil automatic fire prevention mechanism.

Basic Technical Data:

Operating weight	10,650 kg
Length	9,165 mm
Width	2,782 mm
Ground clearance	430 mm
Maximum speed	70 km/hr
Max floating speed	8 km/hr
Angle of negotiable incline	30°
Controlled consumption	40 liters/100 km
Turning radius	7 meters

The lubricating system is pressure controlled with a dry key box, on cooler, a coarse centrifugal cleaner and pre-lubricating pump.

The fuel system is equipped with a fine dust filter with a piston transportation pump, a high pressure pump, and a mechanical revolution regulator with an automatic pre-injection clutch. The air system has a two-stage combined filter with radiators for air heating. The cooling system is of the enclosed type with ejector-blower of air through the cooling system.

/9274
CSO: 2400/102

BACKGROUND DATA PROVIDED ON NEW DEFENSE MINISTER

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 18 Nov 85 p 5

[Article by Peter Jochen Winters: "Unconditionally Obedient to the Party"]

[Text] "I have been tied to him by cordial friendship since we first met in June 1945. It is based not only on our common weltanschauung and political convictions and our joint activity in the youth federation for many years but also on his open and comradely nature." Thus wrote Honecker in his memoirs about Heinz Kessler, whom he promoted to army general and appointed GDR defense minister on Tuesday [12 November]. In 1945 Ulbricht arranged for Honecker and Kessler to meet and asked them to form a uniform youth federation. Honecker had been released from prison, and Keller had come back from the Soviet Union. The charter of the FDJ of 7 March 1946 bears the signatures of Honecker and Kessler, among others. Whereas Honecker became FDJ chief and remained so until 1955, Keller was chairman of the Berlin FDJ until 1948 and then until 1950 worked side by side with Honecker on the Central Council of the FDJ.

On 15 July 1941, not many days after Hitler's invasion of the Soviet Union, soldier Heinz Kessler deserted from the German Wehrmacht and went over to the Russians. He was the son of a worker and KPD official from Silesia, a Young Red Pioneer, a mechanic by trade, and antifascist. After attending the central Antifascist School in Moscow, Kessler, in 1943, was among the cofounders of the "Free Germany" National Committee, on behalf of which, as plenipotentiary for the front, he called on German soldiers in Russia to desert. Decorated with Soviet orders, he returned to Germany as a second lieutenant. As youth affairs official, he joined the Berlin Municipal Delegates Assembly in 1946 and in 1948 was one of the organizers of the riots which led to a split of the Municipal Administration.

On the wishes of the Russians and GDR President Pieck (who said to him, "You must become a general") Kessler in 1950 was made inspector general in the Main Administration of the People's Police and charged with establishing an air force. In the rank of major general, he became the head of the Air Force of the Barracked People's Police in 1952. After the establishment of the National People's Army (NVA) in 1956, he was head of Air Force/Air Defense until 1967. Then he became chief of the NVA Main Staff, in other words chief of the General Staff. This post he abandoned in 1979. Since then he has been chief of the Political Main Administration of the NVA, and thus the top polit-officer of the GDR Armed Forces. He has been deputy defense minister since 1957--longer than his predecessor Hoffmann was minister. In 1966 he was promoted to colonel general. Kessler, who will turn 66 in January, has been a member of the party executive and Central Committee since the establishment of the SED in 1946, and a deputy of the People's Chamber since the establishment of the GDR in 1949.

The new GDR defense minister, who walks dragging one leg since a serious traffic accident in 1971, does not appear to have learned the requisite lessons from personal experience. Otherwise he would not have advocated unconditional fulfillment of orders, as he did before the SED Central Committee a year ago, saying: "For us in the armed forces, consolidation of socialist consciousness is the key to unconditional fulfillment of the mission of the worker-and-peasant power, of any order."

8790/12859
CSO: 2300/95

MORE ARRESTS REPORTED OF CONSCIENTIOUS OBJECTORS

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 18 Nov 85 p 5

[Article by "Ws": "More Conscientious Objectors Arrested--Their Number in GDR Prisons Greater Than Ever--Differing Procedures"]

[Text] Berlin, 17 Nov—At present more young men than ever are in prison in the GDR because they are conscientious objectors. This is clear from reports by church and other bodies. The Protestant Church in Berlin-Brandenburg knows about 40 to 50 arrested by the People's Police because they refused any kind of military service (including service in the unarmed construction units of the National People's Army) and failed to obey call-ups. It is not just a question of persons who had contacts with the church and based their refusal on religious convictions. In addition there exists in the GDR a sizable number of total objectors who, for instance, failed to honor call-ups pointing out that they had applied for moving to the Federal Republic. In East Berlin they too reportedly were arrested on the day of the call-up. All told, there are reports of about 50 persons having been arrested in East Berlin in addition to the cases known to the church.

Outside East Berlin, procedures by the authorities against conscientious objectors apparently differ. Some cases are known of young men whom the authorities know to be conscientious objectors and who have applied for permission to move not being called up and not being arrested as conscientious objectors. Some of these had not made application until they were urged to do so by the authorities. Others who had made a similar case reportedly were arrested. Reservists objecting to armed service after being called up for service in the reserves, following completion of basic military service, reportedly have also been arrested. One also learns of the arrest of persons subject to military service whose application to serve as construction soldiers was refused and who then, when they were told to report to an armed service branch, refused to serve. A total objector named Lutz Saeuberlich (married, one child) recently was sentenced to 22 months' imprisonment in Zittau (Dresden Bezirk of the GDR).

Not included in the above mentioned figures are "Jehovah's Witnesses," the supporters of a sect banned in the GDR. "Jehovah's Witnesses" reject any military or alternative service as a matter of principle and let themselves be arrested without resistance or protest. It is calculated that every year about 100 Jehovah's witnesses refuse military service in the GDR and are sentenced as conscientious objectors. The number of Jehovah's Witnesses in the GDR is estimated as about 30,000 in all.

At least in one case of a total objector arrested in East Berlin, a comprehensive house search was conducted. The person in question is Herbert Misslitz, who had been particularly active in public youth work of the Protestant Church and had had problems with the authorities on several occasions in the past few years. Born in 1960, Misslitz played a key role in forming a new church community in which primarily fringe groups of society were to be accommodated. By arresting him, the authorities presumably also intended to disrupt the establishment of this community.

8790/12859
CSO: 2300/95

DAILY ON IMPORTANCE OF PEACE DIALOGUE

AU061543 Prague RUDE PRAVO in Czech 4 Dec 85 p 1

[Editorial: "The Fate of Europe and the World Is Indivisible"]

[Excerpt] The European continent reflects particularly sharply the complex era in which we live. Today, as never before, it is necessary to have an active cooperation from all states and all forces in the West and in the East, which are in favor of the normalization of the international situation.

Lasting peace can only be achieved through detente, disarmament, and fruitful cooperation.

The socialist countries are purposefully striving for the creation of a system of collective security in Europe. The Soviet Union already came forward with such a proposal before World War II. The Warsaw Pact has been proclaiming that objective from the outset of its existence. The continually new initiatives of our community have always aimed at limiting the arms buildup, banning nuclear weapons, and other weapons of mass destruction.

The collective proposals of the Warsaw Pact countries for the conclusion of a treaty on a mutual nonuse of military force and maintaining peaceful relations between the member-countries of the Warsaw Pact and NATO are still topical. Particularly important are the initiatives whose objective is Europe free of nuclear weapons. This path could be made easier by an agreement on a mutual reduction of intermediate range missiles in Europe--even without a direct context with the space and strategic weapons.

However, from the side of the West the peace initiatives of the Warsaw Pact countries meet, as a rule, with a wall of silence or various evasions or distortion of their intentions. That is also what the joint Czechoslovak-GDR effort for creating a zone free of chemical weapons in central Europe has met. A similar thing has happened to proposals to create nuclear-free zones, especially the Swedish proposal for establishing a nuclear-free corridor along the line separating the countries of NATO and the Warsaw Pact. And to this day the West also owes an answer to the compromise proposals in Vienna.

This is the consequence of the rigid stance caused above all by U.S. reactionary military circles pursuing military superiority. For example, it was precisely on American pressure that the Netherlands--despite four and a half million protest signatures--accepted the plan on the deployment of new American cruise missiles. However, Europe more than once came to the conclusion that persisting with ossified prejudices, rejective stances, and persevering in the trenches of cold war is a danger for everybody.

The international situation urgently requires a change in the antiquated way of thinking, views, and stances, and that one act in harmony with reality.

Some officials in Western Europe occasionally bemoan the fact that Europe is divided, and pretend not to know why. As if they would not know that the Western members of the anti-Hitlerite coalition chucked away the agreements arising from the "Big Three's" Potsdam conference and decided not to demilitarize the western part of Germany but, on the contrary, to rearm it, to remilitarize it. And thus, in 1949, the North Atlantic Pact came into being, aimed against the socialist countries, joined subsequently also by the FRG. Only 6 years later, when there was no doubt about NATO's aggressive orientation and all diplomatic possibilities were exhausted, the Warsaw Pact was established as a collective defensive alliance. It is open to any other state, a matter that clearly indicates that we do not regard the division on the continent to be permanent. By the way, the willingness of the socialist countries to disband the Warsaw Pact, if NATO will be simultaneously disbanded, continues.

The issue of peace is supraordinated to all issues. It requires an active cooperation. Therefore developing an intensive political dialogue is ever more important.

Peace or war. Cooperation or confrontation. There is no third possibility. And this equally applies to all spheres of international relations. And for all European and other countries. After all, the fate of Europe is indivisible.

/9274
CSO: 2400/114

RUDE PRAVO ON 1988 OLYMPICS LOCATION

AU052051 Prague RUDE PRAVO in Czech 20 Nov 85 p 8

[Karel Bures article in the "Focused on Abroad" column: "After the Hanoi Conference"]

[Text] The communique which was issued last week in Hanoi at the conclusion of the conference of representatives of the socialist countries' physical education and sports organizations expresses support for the DPRK proposal to hold the 1988 Summer Olympic Games in Pyongyang and in Seoul, also with the participation of a joint Korean team. This support is an expression of the attitude taken by the Olympic movement in the socialist countries toward the 1981 decision of the International Olympic Committee [IOC] to assign the 1988 games to South Korea's Seoul.

The Hanoi conference was immediately preceded by a session of the chairmen of Olympic committees in the DPRK and in the southern part of Korea, held in the IOC's headquarters in Lausanne. The meeting ended without reaching any result. Kin Yun-sun [all names as published], chairman of the DPRK's committee, proceeded during the negotiations from the historic reality of a single Korea, forcibly divided by the American military occupation of the southern part of the peninsula since 1953. The efforts of the DPRK government to achieve a reunification of the country as corresponds to the interests and wishes of the people in both parts go back to those times. The DPRK's Olympic Committee is appealing to the IOC's peace-creating goals. The organization of the Olympic Games in both parts of Korea would aid both the endeavors for its unification, and the fraternal meetings of the people of a single nation and the consolidation of peace in the area of the Far East.

The representatives of the Seoul organizational Olympic Committee are rejecting the DPRK's demand. Committee Chairman Kin Chong-ha declared in Lausanne that his committee agrees to some form of a joint team at most; but that it absolutely rejects the DPRK Olympic Committee proposal to carry out certain contests of the Olympic Games 1988 in Pyongyang, the DPRK capital.

The Seould organizational committee is working precisely according to the Los Angeles model, and in close cooperation with the U.S. commercial-industrial concerns. The 1988 games are again to become a monumental enterprise of private capital--the only difference being that here the American capital is making use of the economic base of a foreign country, the government of which is fully subordinated to U.S. hegemony endeavors. American firms and American television companies have already invested hundreds of millions of dollars in preparation for the Olympic Games in Seoul. They want to get the money back, with a profit. They fear that the transfer of a part of the games to the North would considerably increase their investment expenditures. The businessmen in the Seoul organizational committee see that an appropriate sum from the television royalties ($500-700 million) would go to the DPRK's Olympic Committee. For the most part, industry in South Korea is in the hands of the American monopolies, and its territory is being used for building and expanding U.S. naval and land military bases which are targeted against the Soviet Union. That is why the United States is not interested in opening the unnatural border on the 38th Parallel.

In this situation, a weighty and responsible role is played by the IOC. The fact is that the stipulations of the IOC Charter do not prevent the organization of Olympic Games in several countries in the same period. In 1956 the main part of the games was held in Melbourne, but the riding contests were held in Stockholm. As regards the monetary issue, the IOC would lose nothing. Should the games take place both in Seoul and in Pyongyang, one-third of the television fees would be pocketed by the IOC in any case.

In the meantime, the IOC management has set up a special commission; its members are J. A. Samaranch, IOC chairman; J. Sipercu (Romania); W. Beitz (FRG); Shaykh Fahad (Kuwait); and Gafner, the IOC's Swiss secretary. The commission will again discuss the stage of the Olympic Games 1988, and it will submit a report to the Executive Committee--or else, according to the further development of the situation, also to the IOC plenum.

/9274
CSO: 2400/114

HUSAK, CEAUSESCU OPEN BUCHAREST TALKS

LD111651 Prague Domestic Service in Czech and Slovak 1600 GMT 11 Dec 85

[Text] Gustav Husak, general secretary of the CPCZ Central Committee, president of the republic, who is on a friendly working visit in Romania, met in Bucharest today with President Nicolae Ceausescu, secretary general of the Romanian Communist Party.

Nicolae Ceausescu presented Gustav Husak with the highest Romanian honor, the Order of the Star of the Romanian Socialist Republic, First Degree with Ribbon, which was awarded to him for his contributions to deepening friendship and cooperation between the CPCZ and the RCP, between Czechoslovakia and Romania, and for his self-less work in the international communist and workers' movement. When awarding the highest Romanian state award, Nicolae Ceausescu praised the many years of selfless work by Gustav Husak in building socialism in Czechoslovakia, in the international communist workers' movement, and his contributions to deepening friendly relations and cooperation between the CPCZ and the RCP and the people of both countries.

Gustav Husak expressed thanks for the award of the high state honor and he emphasized the importance of all-round cooperation and alliance of both parties and states.

Talks began today in Bucharest between Gustav Husak and Nicolae Ceausescu. The highest party and state representatives of both countries will report on the preparations for the 17th CPCZ Congress and on the fulfillment of the conclusions of the 13th RCP Congress, and they will discuss questions concerning further cooperation between their partners and countries. They will also exchange views on current international problems.

/9274
CSO: 2400/114

PRAGUE TV CARRIES PHONE-IN WITH SOVIET COMMENTATORS

)052138 [Editorial Report] Prague Television Service in Czech and Slovak at 1900 GMT on 4 December 1985 carries the 45-minute "Open Platform" live phone-in program on questions of Soviet domestic and foreign policy. The unidentified presenter introduces the guests as "prominent Soviet political commentators and publicists" Professor Arnold Arnoldov, Doctor of Philosophical Sciences at the USSR Academy of Sciences Institute of Philosophy, IZVESTIYA political commentator Stanislav Kondrashev and Soviet television political commentator Lev Voznesenskiy.

Viewers are invited to telephone their questions, which are then read by the presenter in Czech. Each question is followed by a slight pause, evidently while the question is translated into Russian. The nominated guest then answers in Russian superimposed with a Czech translation.

A number of questions, all of which are put to Stanislav Kondrashev, concern the Geneva summit meeting. Viewers ask why no agreement was reached in Geneva. Kondrashev says that no miracles occurred, the questions were very carefully discussed both at the summit and at previous meetings of advisors and foreign ministers. The positions of both sides were very varied and the Soviet side says that the main obstacle to agreement was the American space weapons program. He says, however, that it must be pointed out that there were positive developments such as the opening of dialogue between the two sides at all levels, and the fact that both sides states that nuclear war in unacceptable and that neither side is striving for military supremacy over the other. Concerning prevention of the militarization of space and the limitation of strategic arms, he says, the basic results of Geneva will become clear only in the future.

Asked if it is true that the Soviet Union has come to terms with the American "Star Wars" program, as has been suggested in the West, and what would the Soviet Union do if the "Star Wars" program is implemented, Kondrashev replies that it is completely incorrect that the Soviet Union has come to terms with "Star Wars." The arms race cannot be ended if it spreads into space. Rather, it will escalate. Strategically the very attempt to create such a shield in space would fracture the strategic balance and the result would be the spending of millions of rubles and dollars, he concludes.

Kondrashev is also asked about his personal impressions of the interview given to Soviet journalists by Ronald Reagan, which he attended. He replies as follows:

"Well, you see, it's like this. Naturally the interview with the President of the United States is, so to speak, for a journalist a fairly unusual experience, from both a professional and psychological viewpoint, and from that of journalistic work. I myself for many years now have been interested in the United States; I was a correspondent in New York and in Washington--I lived there for 10 or 11 years. Naturally, I also to a certain extent followed events from Moscow as well, and naturally when I was in the United States, as soon as Reagan became president, I began observing how he works, how he comes over in this sense. As a person who is professionally trained, I can say that we did not find anything new in this area. There were no new discoveries.

"When we arrived, the interview lasted 42 minutes. What was immediately striking? A certain theatrical quality, naturally of the whole thing. Basically this is quite common for America and its political phenomena, when everything is presented, well, so to speak, in a certain theatrical spirit. Second, if we are to consider the purely outward impression, the president does not look bad for his age of course. Third, it is natural that during the 42 minutes his views emerged fully, which are very conservative and of course very antisocialist and anticommunist. And finally, naturally there is also this impression, and that is, that the president got into certain contradictions with his own standpoints. Well, for example, precisely on the question of space, and on the question of his beloved Strategic Defense Initiative, he said to us--and he repeated this many times--he said that these space weapons will be produced after the nuclear attack weapons are liquidated. He repeated this several times. But after the interview was published in the American press, and not just in the American press, it was pointed out that the U.S. position in fact lies in the parallel development of nuclear attack weapons and so-called space defense weapons.

"Well, eventually it was as though they exposed the president and he himself in the end gave up the position which he declared to us in the interview. He stepped back from it. Naturally we were left with the impression, an impression, how could I put it, of a man who does not always know, and does not always think out his own political position in advance and does not always announce it completely precisely. But anyway this is not a completely new impression because this trait was noticed by journalists quite some time ago. Well, those are briefly my impressions."

Lev Voznesenskiy is asked two questions. The first concerns the recent formation of the Agricultural-Industrial Committee, Gosagroprom, and why it is necessary. He replies that the committee has replaced several ministries because it was found that they were too far removed from the actual farms and were only concerned with fulfilling their own tasks, which often led to failure to secure the overall result of the harvest, storage and so on. He illustrates this with a specific example of a broken down harvester and the difficulty of obtaining a spare part. Since the agricultural industry provides about 28 percent of the national income some changes had to be made. After extensive investigation it was decided that local management was not powerful enough to take this responsibility so a new body was set up which covers the whole area and will not lose sight of the overall goal of the sector.

The second question concerns the Soviet Union's contacts with capitalist countries. Voznesenskiy points out that foreign trade relations with capitalist countries reflect the state of international relations. The Soviet side itself is willing and ready to trade with all who treat it with understanding, but during the period of embargoes on certain products when the United States prevented its allies also from trading, nothing could be done by the Soviet side other than to buy from other countries or produce the goods itself. Trade with the United States is in fifth place after the FRG, Finland, Italy and France, he says, but the greatest emphasis in trade relations is placed on relations with CEMA. Mutual contacts between USSR and CSSR, for example, are almost twice as much as the turnover with the largest foreign Western partner, and four times greater than with the United States, he points out.

Professor Arnoldov is mainly asked questions on ideology and in particular about the new edition of the CPSU program, why it is necessary and what its most important points are. He replies at length, stating that the new edition is necessary because life develops, new conditions are created and the party moves with the times. A great deal of work was done on drafting the new edition which is enriched by historical successes and gains of socialism and human progress. It encompasses the concept of speeding up advances and reflects the qualitatively new state of Soviet society, stressing the human factor of humanistic character of the program which also includes the new phenomenon of mass-movements for peace, Arnoldov says. He continues by saying that it puts great emphasis on Lenin's concept of active culture which is aimed at the harmonic development of man in socialist society in order to create socialist man who must be an intelligent man and demandingly moral man. The party therefore encourages discussion to develop the human factor and development of personality.

Finally, all three guests are asked about their own personal impressions and attitudes to Czechoslovakia. They all express their warm feelings toward the country. Arnoldov describes it as a great soloist in the beautiful symphonic orchestra of the world's socialist community.

/9274
CSO: 2400/114

POLITICS

CZECHOSLOVAKIA

PRAGUE ARCHBISHOP PROTESTS RELIGIOUS POLICY

LD200024 Vatican City International Service in Czech 1830 GMT 19 Dec 85

[Letter from Prague Archbishop Cardinal Frantisek Tomas to World Marxist Review Editorial Office in Prague, sent 2 December]

[Text] Esteemed editorial office.

Your journal carried in the ninth issue of WORLD MARXIST REVIEW the article by Vasil Bejda entitled "Where Is the Vatican Going." I, as the highest representative of the Catholic Church in Czechoslovakia, cannot remain silent with regard to some of its passages.

I leave aside the author's analysis of the personality of the Holy Father John Paul II. His greatness as a person and his enormous positive influence on the creation of moral and social profiles of the world is so highly esteemed by the whole cultural world that it cannot be affected by a writing by the author of this article. I also leave aside the author's analysis of changes in the court and its political significance as--unlike Mr Bejda--I do not feel I am competent to judge the matter. Neither do I intend to discuss the issue of the political nature of religion, even if the author proceeds from the utterly incorrect view that the church has no right to state its opinion on public issues. On the contrary it is its duty.

I also do not intend to deal here with the medieval--as Mr Bejda calls them--views on divorce, abortions and contraception. Mr Bejda probably has not noticed that the very latest medical research shows--and this is proven by pictorial and also auditory evidence--that an unborn child is a human being too, and that it tries to defend itself at a very early stage of development against the medical intervention which is to cause its death and evades the instruments. This means that in the light of and from the viewpoint of current medical science the church's stand is quite correct.

However, I have to protest vehemently against those passages of the article which say that imperialist forces are trying to make the Catholic Church in Czechoslovakia into some sort of potential center of antisocialist opposition. the aim of the church in our country is not political opposition but normal spreading of the gospel and pastoral work. It is not our fault that some politically orientated speeches on the part of the state administration were wedged into the recent 1100th anniversary of the death of St Methodius at Velehrad, which was supposed to be a purely religious affair. Even before that, the state administration was trying in all possible ways to make this anniversary a political issue in the media. This aspect of the activity of the Cyril-Methodius mission ought in our opinion to have been discussed elsewhere and it is really a pity that, in contrast to many celebrations of this anniversary in other countries--this was not done in the same way in our country, too.

It is not this fact alone that convicts Mr Bejda of incorrectness in his claim that the Czechoslovak state does not interfere in church affairs and rigorously respects its internal principles and norms. It is well known that the state bodies interfere with our church affairs, even down to the tiniest detail, through the state surveillance over churches at government, ministerial, regional, district and national committee levels. This state surveillance reaches such absurd dimensions in our country that it even interferes with our personal, intimate religious life. This is shown by actions against believers, and in particular against young believers, for their private meetings at which they want to pray, sing religious songs and read the gospels. They are very often tried for an offense committed against paragraph 178 of the Criminal Code on interfering with the state surveillance over churches and religious societies. According to our Constitution of 1960 they are fully entitled to do so, because Article 32 says: Freedom of belief is guaranteed. Everybody can follow any or no religious faith and observe religious acts unless they contradict the law. If the article stated that freedom of cult is guaranteed, then such freedom would be limited to common religious acts only in the buildings designated for that cult, that is to churches and chapels. But as Article 32 of our constitution guarantees freedom of belief, it is not permissible to reduce it to a mere freedom of cult.

The government decree of 17 July 1954 abolished the registration of religious faith. In reality, however, the state administration carries out such registration very carefully and vigilantly from early childhood. Questionnaires which job applicants have to fill in do not ask which faith the applicant practices, but he usually has to describe how he looks on the religious question.

It is often checked very carefully whether an individual citizen attends religious services. The so-called party confidential agents and inspectors regularly answer such questions to party bodies. Many citizens who have been denounced for taking part in religious services complain that they have to leave their jobs, are not admitted to further education institutions or are even expelled from them.

The situation of the believers is typical also with regard to the press. Article 20 of our constitution says that all citizens have equal rights and duties. It means among other things that not only atheists but believers, too, have equal right to the printed word. But in reality? There is a lot of atheist literature in bookstores but at present not a single religious book can be bought. Why? The central religious publishing house is obviously limited in some way with regard to consent for printing religious books. When something is allowed the number of copies is so low that the book is very quickly out of print.

Our believers are not indifferent to the fact that in our country 10 dioceses have been waiting for the appointment of bishops for many years, up to 1985. The Holy Father is constantly ready to fill all dioceses in Czechoslovakia, too, so the obstacle is somewhere else.

Despite it all, in spite of the fact that our believers who form a great majority of our citizens are still not fully satisfied in their fully justified religious demands they are trying to fulfill selflessly and responsibly their role of citizens in our national community.

And it is important for you, too, that our believers, together with the other believers of all continents of the world, with their priests, bishops and the supreme head of the church, the Holy Father John Paul II, make a great contribution to the maintenance of mutual understanding and peace in the world by their work toward consistent observance of justice and basic human rights.

The Papal Commission "Justice and Peace" works intensively in this spirit in Rome. Yes, the arms race will stop only when in all states of the world justice and basic human rights are strictly observed because then there will be no cause for defense and aggressive plans will cease to exist.

Therefore the constant writing about peace and calling for disarmament and peace will be not only believable but also effective only when in all states of the world disarmament and peace are not only proclaimed diligently and persistently but when justice and respect for basic human rights are firmly observed, equally for every citizen.

With greetings,

[Signed] Cardinal Frantisek Tomasek, Archbishop of Prague

/9274
CSO: 2400/114

SENTENCING OF JUVENILE FOR MURDER, OTHER CRIMES EXPLAINED

LD172049 Prague Domestic Service in Czech and Slovak 1600 GMT 17 Dec 85

[Text] Jiri S, a youth against whom charges have been brought, was today sentenced by the Prague City Court for committing three crimes of murder, two attempted murders, and crimes of rape, burglary, and theft.

The charges related to a total of eleven attacks committed between 15 March and 16 May of this year in Prague. They consisted, for the most part, of attacks on women walking alone after dark. His aggression against his victims was partly a way of stealing their property and partly sexually motivated. The court sentenced him unconditionally to 10 years' deprivation of liberty and to preventive psychiatric and sexological treatment in an institution.

The evidence is clear: There is the confession of the youth, whose statement is consistent with a whole set of other evidence, with investigation at the sites where the attacks took place and with the way the attacks were carried out, and with the testimony of witnesses and victims. The evidence is supported by biological and forensic tests.

The police found at his residence a whole series of items which were the property of the different women.

The commission of such an extraordinarily dangerous crime to society by a youth is, in Czechoslovak legal practice, quite exceptional and rare. The youth is a psychopath. If a youth commits a crime for which the law enables the death sentence to be imposed, the court is entitled to impose a sentence of deprivation of liberty for 5-10 years; the law does not allow a more severe sentence to be imposed on a juvenile, no matter how exceptional the circumstances.

The purpose of applying the criminal law is, among other things, to protect society from criminals and to prevent them from committing further crimes. To this end, the law also employs preventive measures, in addition to sentences; this is one of the effective ways of protecting the interests of society as a whole. The sentence itself need not necessarily suppress the youth's inclination to deviancy. Therefore the youth, in addition to being sentenced to deprivation of liberty, was committed for preventive psychiatric and sexological treatment, which will ensure fully that society is protected.

He will be committed for treatment after the sentence of deprivation of liberty has been completed. This treatment will be carried out in a closed psychiatric institution. The preventive treatment will be continued for as long as the purpose of the treatment requires it. Without a court order, a criminal cannot be let out of a psychiatric institution. This means, therefore, that a criminal of this kind cannot be let out of the institution until such time as he ceases to be a danger to society.

The sentence has not yet been declared legally valid.

/9274
CSO: 2400/114

STROUGAL PRESENTS AWARDS TO ACROBATS, SPEAKS

LD121255 Prague Domestic Service in Czech 1530 GMT 11 Dec 85

[Text] Lubomir Strougal, federal premier, handed over high state awards to Czechoslovak air acrobats who scored outstanding successes in the fifth world championship in air acrobatics [words indistinct] in the Hrzan Palace in Prague today.

The president of the republic conferred the Order of Labor to the world and Europe champion, meritorious sport champion (Petr Jermus) and the award for outstanding work to meritorious sport champion (Pavel Civa) and to meritorious sport champion (Jiri Sauer).

In a short speech, the federal premier expressed the conviction that the awarded sportsmen also in the future would continue in the excellent traditions of Czechoslovak air acrobats and wished them all the best in this.

Present at the gala ceremony were Jindrich Polednik, CPCZ Central Committee secretary; Thomas Travnicek, deputy chairman of the national front of the CSSR; Matej Lucan, deputy federal premier; Lieutenant General Vaclav Horacek, chairman of the Central Committee of Czechoslovak Union for Cooperation with the Army and other personages.

/9274
CSO: 2400/114

DAILY ON TRIAL OF CURRENCY, SILVER SPECULATORS

AU062116 [Editorial Report] Bratislava PRAVDA in Slovak on 27 November 1985 carries on page 4 an approximately 4,300-word Jan Kral article, entitled "A Court Case: ...To Be the Richest in the State"; it deals with "the most extensive and most sophisticated 'felony' in the entire postwar period in Czechoslovakia," perpetrated by "members of an organized group." According to Kral, the group was headed by Jozef Zelik, Jr, "kin of the Mafia," who engaged in punishable activities until 4 November 1982, "when he left the CSSR territory and since that time has been staying abroad without the permission of our authorities." Kral describes the felonies perpetrated by Zelik: foreign currency speculations; speculations with silver; foreign currency trading; as well as trading with such luxury goods as fur coats and jewelry; the reinvestment of his ill-gotten gains in further speculations; and his final "earnings" of Kcs 14,646,304 during the period 1976-82 which, "according to the conclusions of the court, surpassed the limits set for considerable gains 700 times over." Kral then notes that Zelik's accomplices helped him acquire foreign currency or bought it from him, and helped him acquire silver, temporazily stored it for him; transferred it to CSSR territory; trade it for transfer to Austria; transferred it to Austria; and sold it for him abroad. The Kral lists the accomplices: Jozef Antalik, ZDROJ manager in Bratislava, Malinovsky Street; Ferdinand Kocian, electric fitter in the Mills and Bakeries enterprise in Bratislava; Jozef Zelik, Sr, from Podhorie, in the Povazska Bystrica District; Jozeg Petrek from Hladovka in the Orava District, (whose net profit amounted to at least Kcs 564,620); his wife Alojzia; his brother-in-law Augustin Kubica, and the latter's daughter Olga Kubicova; In Fratisek Mikoczi, football trainer in Vienna; Pavol Sevcik from Senica and his friend Karol Palenik; Karol Bartalsky, technician in the Bratislava City Telecommunications Administration; Cyril Majko, tractor driver of the unified cooperative farm in Nizna, Orava; Maria Targosova from Krasno and Kysucou; Karol Slavkovsky and Dusan Dvorin, who travelled abroad with their music bands; Matej Oravec from the Administration of Property and Foreign Currency Affairs with All-Slovak Operations; Cecilia Zelikova, [name indistinct] Zelik, Jr; Ivan Polak; Peter Hovad, member of factory guard in the State Mint in Kremnica, and his brother Marian, iron founder in the [word indistinct]; and Jozef Held from Kremnica.

Kral states that the group's "extremely extensive and serious punishable activities" are condemned by all the CSSR public, since they "grossly violated both the implementation of the merit principle, and the socio-economic relations, and in several instances also the activities of the state apparatus.

"The group," Kral states, "sharply attacked the socialist ownership, the state's foreign currency monopoly, and customs regulations. The offences of the group members were characterized by considerable inventiveness and a high degree of organization and variability. Each culprit had a precisely defined place in the gang. Their motivation was the longing for profit without work." Kral then notes that most of the "gang members" enjoyed good reputations and that Zelik Senior had held public positions, used to be deputy of the Local National Committee for several terms, and was also a member of the Slovak Communist Party's Village Organization.

The sentences quoted by Kral range from 18 months for Jozef Polak to 15 years for Jozef Zelik, Jr; Zelik, Jr, his wife, and 3 other people were sentenced to loss of all property, the others to money fines from 8,000 to 30,000 Kcs; and cars used for perpetrating the offences were confiscated by the state.

After the trial, Kral interviewed Stanislav Kvapil, doctor of law and senior prosecutor in the Slovak Prosecutor General's Office, who attributes the extent of the group's activities to the indifference of the surrounding people, to the lack of citizens' legal awareness and sense of responsibility, and to their unwillingness to get involved. Kvapil scored the benevolent attitudes of the staff of organizations where the culprits were employed, and of the staff of national committees in the places where they lived. He states that the state, economic, social, and criminal investigation agencies are incapable of preventing antisocial activities without the active assistance of the citizens and that the lack of civil activity slows down the uncovering of illegal activities of individuals and groups of people who are counting on the indifference of their environments. Kvapil concludes the interview by saying that the extensive antisocial activity of the Zelik group affirms that "people are still living among us who are prepared to enrich themselves in every circumstance, if only they have opportunity for this. However, the punishment of the culprits does not close their responsibility. Apart from their punishment, the culprits must also count on a consistent removal of their unjustified property benefits acquired by criminal means. The lesson in this is that we all must jointly multiply our forces and bar the path of any and all kinds of violations of the principles of morality, discipline, and legality, and also regardless of who the violator is."

/9274
CSO: 2400/114

DAILY ON ALBANIA'S INCREASING 'REALISM'

AU051755 Prague MLADA FRONTA in Czech 29 Nov 85 p 5

["(VOD)"-signed commentary in the "We Recall" column: "Albania Is Celebrating Its State Holiday"]

[Text] On 29 November 1944, 42 years ago, the Albanian National Liberation Army completed the liberation of its country. Albania recalls this date every year and celebrates it as its state holiday.

The close cooperation which Albania then established with the Soviet Union and with the countries building socialism was soon strikingly manifested in the economy of the young republic and its position in the international arena. During a relatively brief period Albania, which started practically from scratch, achieved considerable successes in the socioeconomic development. At the beginning of 1961, the economic base of socialism had been built in the country, and a firm foundation established for the further industrialization of the economy.

Of course, it was precisely in that period, after a phase of rapid successes, that Albania sharply changed its orientation; and the countries that had offered it their helping hand in the postwar times became the target of its harsh attacks. It was only at the beginning of the eighties that Albania stressed that it would fulfill its economic plans solely "by making use of its own strength, without foreign material aid and loans." However, in the recent period realistic tendencies have increasingly begun to assert themselves, because isolationism has caused the Albanian economic base to lag very considerably. Assistance can again be offered by the socialist countries. As yesterday's Soviet PRAVDA wrote, the USSR proceeds from the basic line that is aimed at improving relations with all socialist states; and it consistently strove in the past, and is striving today, to overcome the difficulties which emerged at the beginning of the sixties.

/9274
CSO: 2400/114

POLITICS

CZECHOSLOVAKIA

BRIEFS

JOINT USSR GAS PROJECTS--Vlastimil Ehrenberger, fuel and power federal minister and senior officials from the gas industry, informed journalists today about Czechoslovak participation in the construction of the Progress gas pipeline and the gas treating complex Karachaganak in USSR. An agreement was signed in Moscow 2 days ago according to which we shall build 580 km of gas pipeline, 8 compression stations, aggregates driven by electric power and gas-chemical complex 250 km from Orenburg which would contain also a panel production plant, cement factory, flats and so on, all in all for R220 million in the next 5-year plan. At one point, around 12 thousand Czechoslovak people will be working in the USSR and all this in order for us to gain 5 billion cubic meters annually for 20 years. This will not be cheap but an economic analysis indicates that it is still cheaper than producing the same amount of energy by a new construction of nuclear power stations or opening new mines. However the cheapest form of energy is still the power which we can save. [Text] [Prague Television Service in Czech and Slovak 1830 GMT 18 Dec 85 LD] /9274

CSO: 2400/114

FRG WEEKLY ASSESSES POSSIBLE HONECKER VISIT

Hamburg DER SPIEGEL in German Vol 39 No 48, 25 Nov 85 pp 22, 25, 28

[Article: "From the Boiler"]

[Text] The head of government in Saarbruecken, Oskar Lafontaine, had some of his people rummage in local archives before he paid his visit to the SED chief. Then, when the Social Democrat unpacked a stack of old leaflets and reports of demonstrations in East Berlin week before last, native Saarlander Erich Honecker went into raptures over the old fighting days.

SPD Chairman Willy Brandt as well, at a meeting in East Berlin in September, was treated to readily narrated reminiscences by Honecker about his youth. For 11 and 1/2 years Brandt had not been able to bring himself to visit the SED man who had planted the spy Guenter Guillaume at government headquarters in Bonn. Now the former chancellor, 71, is quite taken by the chairman of the GDR Council of State, 73. Brandt: "He is the last all-German; those who come after him are GDR Germans."

Honecker, a miner's son from Neunkirchen, recently has been fond of using talks with Western politicians for excursions into his German past. He talks about Wiebelskirchen, the village near Neunkirchen, where he joined the communist Young Spartakus League in 1922. A roofer by trade and LPD member since 1929, he organized after 1933 the illegal operation of the German Communist Youth Federation (KJVD) in the Ruhr, Baden, Wuerttemberg, and Berlin. There the Gestapo apprehended him in 1935, and until 1945 he was imprisoned in the Brandenburg-Goerden Prison.

Honecker, Brandt told confidants, had been very pleased about an etching from 1850 he had been given as a present. The SED chief recognized the subject at once, saying, "But this is Neunkirchen." Then the two Germans, one of whom had been with the Socialist Workers Party at the time while the other was with the KFD, exchanged stories about their underground struggle against the Nazis.

And with Karl-Heinz Klaer, who heads Brandt's offices and is also a Saarlander, Honecker conversed in the local dialect, asking, "And where are you from?" "From Bildstock" was Klaer's reply. "From Bildstock," repeated Honecker, touched. That was only 5 kilometers from Wiebelskirchen.

Bavarian Premier Franz Josef Strauss, too, was told by Honecker about things past when they recently met on the fringe of the Leipzig Autumn Fair. To this day, said the SED man, he was grateful to the Catholic Church, which had fed his family--in straits because his father was an active leftist socialist--after World War I. One of his sisters, he said, was selflessly cared for by Catholic nuns.

With Lafontaine, Honecker talked at length about the Saar referendum of 13 January 1935 which brought about the merger of the region with the Third Reich. The Social Democratic-Communist People's Front, one of the few left-wing alliances against Hitler, had failed. It was at that time that Honecker, side by side with Communist Herbert Wehner, lived through the last chapter of his political career on territory which is now part of the Federal Republic.

The East Berlin signals were well understood in Bonn. The SED general secretary, government and opposition conclude, is very much interested in a visit to the Federal Republic, particularly in seeing his homeland again. But the Christian Democrats have different ideas about hos to take advantage of such a visit.

The SPD would like to present inter-German togetherness in striving for disarmament. As the opposition, the Social Democrats are trying to lend a new quality to relations with the Honecker regime. In June a committee of SPD Bundestag deputies agreed with the SED on the draft of a treaty for a chemical-weapon-free zone in Europe--at least for both German states and the CSSR. Talks began about a nuclear-weapon-free zone. Honecker had words of praise, saying: "That is the right way on which we must proceed further."

Chancellor Helmut Kohl, on the other hand, wants to take advantage of the sentimental interest of the chairman of the GDR Council of State in a visit to the Federal Republic in a different way. He hopes for applause from those voters who reproach the Christian-Liberal coalition for having done too little so far in behalf of detente and having chained itself too much to the policies of U.S. President Ronald Reagan. Kohl's comment on a possible Honecker visit: "What with our making great strides toward an election victory, that kind of thing would be all right."

To his advisers Kohl presented a homemade analysis, saying that the SED chief was so intent on an excursion to the West because he did not want to enter history only as the guard of (according to statistics of the Chancellery) about 4,500 political prisoners. For instance, according to Kohl, the atheist from East Berlin also plans to extend cordial thanks to the Catholic Church in the Saarland for what it had done for his family.

The mild nostalgic mood, the chancellor thinks, can only benefit the West German desires for human relief. Says Kohl: "What I consider to be realistic--I say so consciously--is an extension of the normal exchange of visitors.

Domestically, the chancellor is celebrating in advance "the wonderful success" it will mean if henceforth not only "pensioners" but women 55 or younger could travel to the Federal Republic. He says: "There would be more pressure coming from the boiler."

Women, Kohl said explaining his simple calculation to his staff, are better communicators. Men are interested primarily in bars, cars, soccer and "Dallas," whereas women tourists from the GDR go shopping, ask about the prices of washing machines or suits, talk with people, and then go back to East Germany again.

For such a provision, the chancellor said during internal discussions of the situation, he was prepared to "fork over something." In accordance with the motto "D-Mark for Humaneness," he was prepared to supply GDR plants with environment-saving technology and to make monetary contributions for the electrification of railroad routes between the two German states.

Such key GDR demands as Honecker listed in his speech in Gera in 1980 remain taboo: recognition of GDR citizenship, the exchange of ambassadors, a settlement concerning the disputed Elbe boundaries, and abolition of the Salzgitter headquarters for registering crimes committed in the GDR.

In conversation with West German visitors, Honecker recently made fun of Kohl's narrowed perspectives. Apparently, he said, the chancellor believes that the GDR leadership makes its freedom of action dependent entirely on Moscow's approval. Of course, said the SED chief, he is not "ingenuous" but plans his visits in accordance with the international situation, but, he said, "if anyone thinks that I have to ask someone when and where I may go, I can only laugh at him."

This East Berlin independence in dealing with the fellow German class enemy sometimes causes irritation in Moscow. After his visit to Honecker, Brandt was asked by the Soviet ambassador in East Berlin, Vyacheslav Kochemasov, whether the Gera demands of the GDR had been discussed. Brandt confused the Soviet man by giving the clear reply of "no."

A little later the new American ambassador in Bonn, Richard Burt, paid his respects to Brandt at Erich-Ollenhauer-Haus. The American reported that his U.S. colleague Francis J. Meehan in East Berlin had been asked by Kochemasov whether he knew what Honecker and Brandt had chatted about.

Just when the international situation following the Geneva summit will permit the SED chief to take a trip to the West continues to be the subject of fierce speculation. Some details are expected from SED Politburo member Werner Felfe when he visits Chancellery Minister Wolfgang Schaeuble on Wednesday. Ewald Moldt, the GDR representative in the Federal capital, some weeks ago already obtained approval from Federal President Richard von Weizsaecker and Schaeuble for Honecker to be received both in the Villa Hammerschmidt and in Kohl's offices--for a working visit.

This is the way it is to remain. Under no circumstances is Honecker's trip to Bonn to look like an official state visit, because that would get the chancellor into trouble. Kohl would like to go to the GDR, particularly to Dresden and Leipzig, before the Bundestag elections. He would therefore accept a reciprocal invitation by Honecker. A formal state visit to East Berlin he would, however, have to reject because of the 4-power status of the divided city.

Therefore working visitor Honecker will find Bonn undecorated. According to a Kohl confidant, "without anthems and without flags."

8790/12859
CSO: 2300/86

POLITICS

POLAND

URBAN ON DETENTIONS, U.S. ANTI-POLISH PROPAGANDA, POLONIA FIRMS

AU271509 Warsaw RZECZPOSPOLITA in Polish 25 Nov 85 pp 4, 5

["Transcript" of Press Conference for Foreign Journalists Given by Government Spokesman Jerzy Urban at Interpress Center in Warsaw on 19 Nov]

[Excerpts] Urban: People who are being kept in detention or have been sentenced for noncriminal offences are continuing to be released in response to the Patriotic Movement for National Rebirth's [PRON] appeal. As has already been announced, 75 people had been released by the end of last week. The prosecutor's office revoked temporary custody orders in 61 cases and the courts revoked 14 temporary study orders affecting people against whom charges had been brought. Twenty-one people were released in Warsaw, 12, in Gdansk voivodship, in Walbrzyg voivodship, and 5 in Radom voivodship. Four persons were released in each of the following voivodships: Gorzow, Bialystok, Kielce, and Poznan, Wroclaw and Elblag voivodships each released 2 persons and another 9 voivodships each released 1 person. Most of these people had undertaken actions intended to incite public disorder. Fifty-five people who had been detained on these grounds or on charges of distributing various kinds of illegal publications have been freed. Among those who have been released, there are also people accused of taking part in illegal assemblies. Illegal possession of arms, illegal possession of radio transmitters, and desecrating state symbols.

Of those released, 22 are members of the intelligentsia, of whom 5 are academics; 21 are manual workers; 14 are school students; 5 are students; 5 are tradesmen; 4 are retired; 3 are unemployed; and 1 is a farmer. In respect of 23 of those released, good conduct pledges were submitted by plant union organizations, workers' collectives, and plant managers. In respect of six school students, good conduct pledges were submitted by pedagogical councils, and in respect of another five persons pledges were submitted by PRON cells and other organizations or reliable persons, such as rectors or deans of higher schools.

The situation existing at the present time made it possible to release these people, and their release is an expression of the authorities good will, but legal proceedings will be continued as required by law. The difference being that the accused will remain at liberty. Guided by these conditions, prosecutors and courts will consider whether it is possible to waive proceedings in certain cases. The conditional discontinuance of proceedings will be tied to a probation period not exceeding 2 years, after which it will no longer be possible to prosecute the persons concerned. For other categories of offences which make it impossible to waive proceedings in the same way, it might be possible to reduce sentences by introducing conditional suspended sentences. That is as much information as I have about the release of those in custody, more persons are being released this week, but I do not as yet have an information about the number.

I owe an answer to a question that was put to me at the last conference; it concerned employment by Polonia firms. I gave an answer to the question, but it was not a full one, so I shall now supplement it with certain other facts. At the end of June this year there were 660 Polonian firms operating in the whole country and employing 46,900 people. The limit to the number of persons Polonia firms can employ has been set at 77,477 by voivodship governors. There is, therefore, still significant room for an increase in the number of persons employed from the point of the system for regulating labor force distribution.

The Council of Ministers' directive concerning employment by foreign and mixed-capital enterprises operating as small-scale manufacturers, issued on 19 August 1985, obliges these firms to employ Polish citizens through employment and social affairs departments. That is to say, those departments which fill existing vacancies. The number of these vacancies is fixed by voivodship governors. This means, among other things, and this is stressed in the directive, that Polonia firms cannot hire employees who left their last place of work or were fired without notice through their own fault. This was decided in view of the fact that the hiring of employees contrary to these principles which operate in the state sector has contributed to the undermining of labor discipline in general and enabled people to leave employment unilaterally without giving notice to benefit from the high wages and privileges offered by Polonia firms.

Reports by Western correspondents in Warsaw stating that the Security Service entered a church in Wroclaw on 11 November and used tear gas have been appearing in the Western press. I was asked about these events at a previous press conference. I said that I knew nothing about these events and in fact I could not have known anything about these events, because they have been made up. That is to say, no one entered a church and there were no goings-on in any church. The Security Service did, on the other hand, detain three residents of Wroclaw: Antoni Lenkiewicz, Boghdan Giermek, a student at the Catholic University of Lublin, and Tadeusz Lenkiewicz.

What happened was the Security Service only intended to detain Antoni Lenkiewicz in connection with a talk he had given in a church, in order to warn him about certain aspects of the talk he had given, the references to Polish Soviet relations which the talk had contained for example. He was stopped outside the church by members of the Security Service who intended to caution him and when this happened he seized an officer by his suit and kicked him, and was then joined by his brother, Tadeusz Lenkiewicz, and Boghdan Giermek who rushed to help him. This resulted in damage being done to a car belonging to Voivodship Office for Internal Affairs by the three: a door was broken and the windscreen smashed. And so a case against the Lenkiewicz brothers and Boghdan Giermek was directed to the Wroclaw-Krzyki Regional Court where it is being dealt with under accelerated proceedings. They appeared before court charged with preventing functionaries from performing their duties and with causing damage to the vehicle. Fourteen prosecution witnesses have testified and the trial has been postponed until 19 November to allow for 13 defense witnesses to be summoned to testify. All the defendants were examined by a doctor on the recommendation of the court: they were pronounced fit.

Emma Aiziptarte; EFE: Minister, will people who have refused to perform military service for reasons of conscience be able to benefit from this act of clemency? Will those who murdered Father Popieluszko and the three unionists, Lis, Michnik, and Frasyniuk be covered by it?

Urban: I do not know the legal position in respect of people who have committed offences under the statute on defense. Any persons guilty of murder will not be among those released. Persons who have already committed similar, previous crimes will not benefit from it, and nor will persons who have committed particularly dangerous social crimes, were sentenced in the past, or benefited from the 1984 amnesty or earlier acts of individual clemency. To put it simply, as far as the first category is concerned I cannot say, about the second and third I can say no.

/7358
CSO: 2600/162

POLITICS

POLAND

MIODOWICZ ON OPZZ ACHIEVEMENTS, DIFFICULTIES

AU201322 Warsaw ZYCIE WARSZAWY in Polish 18 Nov 85 p 2

[Interview given by Alfred Miodowicz, chairman of the National Trade Union Confederation, to Romana Kalecka: "The National Trade Union Confederation Is One Year Old"--date and place not given]

[Excerpts] [Kalecka] How do you view the first year of the confederation's performance?

[Miodowicz] There are two points to observe. For those who were elected in Bytom to the council and executive committee of the confederation, the past year has been a period of hard work to ensure that nothing be lost of the achievements of the first assembly and that people's expectations be not disappointed. We have also devoted much attention to organizational matters, including the status and legal position of the confederation and the takeover of the former trade unions' property, which we must administer with utmost thrift--a task that is difficult because the income of the national confederation is small and consists of voluntary contributions from regional confederations.

As for the masses of trade union members, the past year seems to have engendered in them a certain dissatisfaction and doubt regarding the ability of trade unions to defend working people's living standards. It is true that the flow of goods has been somewhat improved, but prices continue to go up, which is a disturbing process. All in all, progress made in the past year has not come to people's expectations.

[Kalecka] Which problems do you find difficult to solve?

[Miodowicz] Our main task--to defend the working people's present real wages--is beset by many difficulties, which is natural. We are still unable to enforce our demand that a social minimum of living standards be calculated and published so that we have a basic point of departure for a meaningful social policy. That is why we must evolve our own concept in this matter.

Quite frequently we have to oppose attempts to make small corrections to the system of social benefits. These corrections unnecessarily irritate people.

The model of this system calls for crucial changes and for a cohesive concept of social policy. The frequent changes in the proposals for socioeconomic changes [word indistinct] these proposals are submitted for our confederation's consideration--are also irritating.

[Kalecka] Perhaps this is also due to defective cooperation with the government. In recent times we have heard very little about government-trade union negotiations. Or do such negotiations take place behind closed doors?

[Miodowicz] The Council of Ministers Committee for Trade Union Affairs was a good place for cooperation at a time when we had various trade union streams, when our trade union movement was getting under way, and when the first trade union structures above enterprises began to be organized. Today our primary concern is negotiations about specific economic matters, but the thing is that now we have few contacts in this regard. If we had as much as contacts behind closed doors, we would be able to at least discuss various matters. However, the contacts we have are mostly formal contacts. Of the several government-trade union teams set up some 6 months ago, only one continues to function as far as possible normally--the one dealing with the money-market balance.

I cannot imagine that future contacts between the two partners would be limited to contacts at the branch and departmental levels. After all, our trade unionism has the guaranteed right to voice its views on many issues of crucial importance for working people. That is why we must have a central platform for exchanges of views. This platform should be represented by periodical meetings between the Government Presidium and the Executive Committee Presidium of the National Trade Union Confederation. The first such meeting should discuss the price policy in 1986 in line, of course, with the central annual plan. Another urgent topic is the extension of working time in some plants. It was not difficult to comprehend why this extension was put into effect for 3 years, until the end of 1985, but now we must know the reasons and arguments why this special regulation should be prolonged. This issue shuld be decided by plants themselves if they need longer working time and if they are able to ensure that workers can work longer times should the work forces finally agree to this.

/7358
CSO: 2600/162

SIWAK EXPLAINS COMPLAINTS, GRIEVANCES PROCEDURE

LD141104 Bydgoszcz Domestic Service in Polish 1605 GMT 13 Nov 85

[Excerpts] Torun: The town of Copernicus was visited today by Politburo member Albin Siwak. Letters arriving from all over Poland at the Commission for Complaints and Proposals of the PZPR Central Committee no doubt constitute a rich archive [word indistinct] about the community's problems. What sort of problems predominate? I am talking now to Albin Siwak, chairman of the Central Committee's Commission for Complaints and Proposals:

[Begin recording] [Siwak] If we take as our basis the [word indistinct], then in all the submissions, letters, and complaints then the first place--namely 40 percent of cases--is taken by matters of housing. These are the greatest proportion of issues to settle. Second place is taken by the Polish countryside; this concerns (?many) problems, for example building materials, building licenses, land accumulation, machinery allocations, plus of course various human and neighborly issues. Third place--this has happened over the past months--concerns the question of pensions and annuities. I must say this is altogether a very difficult subject and at the same time a tragic one for thousands of old age and other pensioners, of course I mean those from the old portfolio. That's the third group. The fourth group: Interpersonnel relations in the enterprises.

[Unidentified Reporter] From experience I know that people turn to the Central Committee as a last resort, when they cannot gain satisfaction at municipal or voivodship level.

[Answer] No, I do not agree. It is not always the case that they turn to us as a last resort, although (?that is how) people begin their case. Why do I not agree? Because a considerable percentage of cases miss out the place where the problem arose. They miss out the municipal committee, the parish-municipal committee, the voivodship committee, the voivodship office--in other words, the place to which the issue will in any case return, but it will only return there under our supervision. I wish to say that a considerable percentage of cases should be settled precisely on the spot, yet they are not. People come, as you say, as if in the last resort.

[Question indistinct]

[Answer] Yes, I think we do it effectively. Let me tell you that since the ninth congress we have accepted more than 3.5 million cases, so one could say that 10 percent of the Polish population complained, wrote in, requested intervention: and that our commission is the largest in the Central Committee --it has over 20,000 members in the field.

[Question] And how many of the cases mentioned [words indistinct] how many had the theoretical possibility of being solved on municipal or voivodship level?

[Answer] I would say, the overwhelming majority, 80-85 percent, there, on the spot. [end recording]

/7358
CSO: 2600/162

POLITICS POLAND

PARTY ORGAN COMMENTS ON WASTE IN TARNOW

AU211117 Warsaw TRYBUNA LUDU in Polish 18 Nov 85 pp 1, 2

[Jolanta Zajac: "Concealing the Real Level of Incomes, Waste During Procurement"]

[Text] The Tarnow Worker-Peasant Inspectorate has already carried out 49 checks into state and cooperative units involving the functioning of agricultural circle cooperatives, the correct distribution of housing, and coal supplies to rural areas. The honest documentation of transportation services and work progress in the construction of education premises were also checked.

The checks revealed much neglect and many irregularities, lack of concern for property, mismanagement, and a failure to observe the elementary principles of social justice.

An example of this was the way in which children were qualified in order to enter kindergarten. It was noted that employees in the private sector generally conceal the true level of their net incomes. For example, the proprietors of a clothing shop declared that they were earning Z13,000 per month, and a watchmaker said he was "earning" Z6,500 per month. The Supreme Chamber of Control [NIK] is to look into these affairs.

Checks into six Regional Horticultural-Agricultural Cooperatives brought alarming results. A failure to use existing very strong reserves during the processing of plums and restricting plum procurement to only one variety thereof were general practices which the inspectors encountered.

In Ujscie Solne a lack of roofing in the places where crates are stored resulted in over 1,000 wooden crates being ruined. It was the same in Zakliczyn. Glaring neglect was noted in Wadowice Gorne, where toward the end of the growing season one procurement point was completely unprepared for procurement--apples were put into sacks instead of crates, and carrots and other vegetables were given no protection against precipitation.

Twenty-four disciplinary proceedings were ordered, and 16 persons have been punished so far.

The professional assistance for the work of the Worker-Peasant Inspectorate given by control, inspection, and auditing bodies deserves mention, said Jan Papciak, deputy director of the NIK team for dealing with the affairs of the Worker-Peasant Inspectorate. The only trouble concerns cooperation with the State Trade inspectorate, which refused to cooperate in the checking of agricultural produce procurement points, saying that "this is beyond their scope."

/7358
CSO: 2600/162

DAILY VIEWS TEACHING OF RECENT POLISH HISTORY

AU221405 Warsaw TRYBUNA LUDU in Polish 19 Nov 85 p 3

[Article by Ewa Klosiewicz: "Everything Is Fine (?)"]

[Excerpts] Almost 3 and 1/2 years have passed since the Ninth Central Committee Plenum devoted to youth affairs. Therefore it is worth examining the implementation of this plenum's resolution, which defined tasks for the party and state institutions involving the creation of suitable conditions for young people to become more energetic, display initiative, and solve their own problems as well as general social ones.

The Ninth Plenum resolution contained a general statement whereby it is an urgent task to fill the gaps and eliminate the generalizations in the teaching of Poland's latest history. This statement is clarified by the Historical Education Program that was adopted by the PZPR Politburo last year and whose realization is controlled by a special Central Committee team.

This program contains a recommendation to urgently check the historical awareness of young people and points to the need to introduce lectures on the most recent history to those higher education courses that do not include history, as well as the need to review history teachers in all types of higher schools and analyze the performance of history education programs. These are tasks that have been addressed directly to the Ministry of Science and Higher Education, whose representatives are taking part in the work of the abovementioned Central Committee team.

My talks in the ministry have revealed that the ministry is actively participating in the implementation of the History Education Program, and once one may say that work on implementing it has intensified.

However, as long as some colleges still lack suitable staff, it is difficult to say that one of the ministry's undertakings, the introduction of a 30-hour course on the latest Polish history during the seventh semester of non-history courses, is proceeding everywhere. This 30-hour course has been obligatory since the beginning of the present academic year, obligatory in the sense that it requires not only listening to, but also marks, at least in those places where it has already been introduced.

Right now this education program is being subjected to detailed analysis. However, difficulties with its implementation are based not only on a shortage of specialists. The program is sometimes withheld because students in this semester are already burdened with other subjects. The analysis of curricula is also being conducted from this angle.

There is also a shortage of textbooks. Publications on the most recent Polish history tend to be monographs scattered around various periodicals. The collections of documents issued by the Central Methodological Institute and explaining the so-called white blotches in our most recent history or the seminars, conferences, and other meetings organized by the ministry and dealing with the method of teaching the latest history in schools will not take the place of an academic textbook which deal with the subject concisely. And nothing indicates that such a textbook will emerge in the nearest future, for potential authors prefer to escape to more distant history.

This they do for two reasons. First, contrary to what it seems, the closer the times, the more difficult is the access to historical sources; and second, the author does not always have the courage to tackle a subject that is regarded as sensitive.

The ministry has also begun work on a concept of pilot studies into the historical education and awareness of students. In October there was a conference which discussed the method of this research. Its materials are being published.

The Institute of Youth Problems is also researching the historical awareness of young people. Its report will be presented in December 1986.

Despite the fact that everything is proceeding so well, certain thoughts nevertheless force themselves out into the open.

The first one is that without denying the need to conduct thorough research, even without this research it is generally known what part of the historical awareness of young people has been distorted through the activity of the ideological opponent.

One does not need to be either a historian or a sociologist to indicate the claims that the Polish socialist revolution did not originate in Poland, the false picture of Polish-Soviet relations, the myths about the Second Republic [between the wars], the biased presentation of Polish culture as one stemming solely from the Latin and Mediterranean cultures, and the sole expounding of failures in the history of People's Poland while glossing over the undeniable great achievements.

Young people begin their studies with the historical awareness they gained at home and school. This is obvious. It is also obvious that only some of them have history in their curricula, but does that mean there is no need for some extracurricular activity involving younger students in particular so that our future intelligentsia may possess an imagination which matches the historical truth and not the distorted one?!

Whom should this depend on if not the ministry of higher education, which is an educational body?! This also concerns party organizations inside colleges. I do not know how many college party committees have applied themselves to the history education of young people, but this is no doubt a question that ought to be asked here, and loudly too.

Because although in a formal sense everything is proceeding, in fact we are progressing very slowly.

And another thought connected with speed. As far back as July 1982, the Ninth Central Committee Plenum wrote in its resolution that it is urgent to fill the gaps and eliminate the generalizations in the teaching of our latest history.

Was it really necessary to wait 2 years for another document to show to whom this urgent task is addressed?! All these tasks and analyses could have been completed over the past 3 years.

/7358
CSO: 2600/162

POLITICS POLAND

PZPR CONTROL COMMITTEE PLENUM HELD

LD270944 Warsaw Television Service in Polish 1830 GMT 23 Nov 85

[No video available]

[Text] A plenum of the Central Party Control Commission [CKKP] of the PZPR has been held, with the participation of the chairmen of the voivodship control commissions. The debates were chaired by Jerzy Urbanski. It was said that the party control commissions recently have with ever great consistency and firmness been reacting in the form of appropriate sanctions to cases, caused by party members, of waste, extravagance, negligent attitude towards public property, or neglect of professional obligations.

In this context, the deepening cooperation between the control commission and the worker-peasant inspectorate [IRCH] is of special significance. In accordance with the recommendation by the CKKP, all the voivodship party control commission have already undertaken measures which aim to actively support the work of the IRCH. The party control commissions, adopting an attitude toward persons guilty of irregularities revealed during this check-up, have instituted severe party sanctions. As a result of the more than 100 party proceedings already completed by the voivodship party control commissions, 3 persons have been expelled from the PZPR, 25 have been punished, while warning talks have been held with 81 PZPR members. Moreover, the party control commissions have submitted requests to the relevant party echelons concerning the withdrawal from 17 persons of party recommendations to leading posts. Attention was drawn to the obligation to adopt a firmer attitude towards those party members who continue to manifest a soulless [pol bezduszny], bureaucratic attitude towards citizen's complaints.

/7358
CSO: 2600/162

POLITICS

POLAND

UNSATISFACTORY PARTY WORK IN ARTS NOTED

LD290805 Warsaw Domestic Service in Polish 1607 GMT 28 Nov 85

[Text] Members of the plenum of the party district committee in Wroclaw-Stare Miasto [Wroclaw Old Town] today discussed the problems of party work in the creative milieux. Most of Wroclaw's cultural institutions are situated precisely on this district's territory. These institutions employ around 8,000 persons, among which are 437 party members concentrated in 25 organizations. There is cause for anxiety because of the small number of new members being accepted. As Jerzy (?Kopacki), secretary for organization, stated: This is an expression of unsatisfactory activity by the various party organizations. The party, in its activity, must primarily try to influence that section of creative artists and activists who continue to remain passive. The party proposes to solve this and other problems of the creative milieu by setting up a cultural center for the young. It is planned to use the renovated premises of the old town (SMCLN) for this purpose and to interest the PRON district Council in social issues pertaining to the culture-creating milieu. In order to activate the party organization, it is proposed to set up a commission, which will coordinate and initiate activity in the various institutions.

/7358
CSO: 2600/162

POLITICS POLAND

MESSNER, POREBSKI AT SCIENCE EXHIBIT OPENING

LD100046 Warsaw Television Service in Polish 1830 GMT 9 Dec 85

[No video available]

[Excerpts] An exhibition entitled Science for Society has been opened in Warsaw.

The exhibition has aroused understandable interest. Representatives of the party and the government, including Zbigniew Messner and Tadeusz Porebski attended. Prof Jan Karol Kostrzewski, chairman of the Polish Academy of Sciences (PAN) was showing the exhibition to the guests.

The exposition shows that Polish science can now achieve. It shows directions for changes which should occur in our economy so that Poland, on the threshold of the 21st century, would find itself in the group of highly developed countries. Premier Messner stressed that, taking into consideration the scale of needs and our country's capabilities, the achievements are most. Scientists were talking about difficulties in proceeding from laboratory tests to large scale production.

Let us hope that the exhibition, organized under the slogan Science for Society will bring about greater utilization of research achievements in the national economy.

/7358
CSO: 2600/162

ACCORD WITH ETHIOPIAN PARTY SIGNED

LD121131 Warsaw Domestic Service in Polish 1820 GMT 11 Dec 85

[Yigletu's remarks in vernacular with superimposed translation]

[Text] Jozef Czyrek, member of the Politburo and secretary of the PZPR Central Committee, and Ashagre Yigletu, secretary of the Workers Party of Ethiopia [WPE] Central Committee, signed in Warsaw today an agreement on cooperation between the two parties. After the signing of the agreement our reporter Henryk Szubach talked to the Ethiopian guest.

[Begin recording] [Yigletu] The agreement signed today on cooperation between the PZPR and the WPE also constitutes foundations for cooperation between our governments and mass organizations. It will also make it easier to transfer information concerning our countries. We have also signed today a protocol on cooperation in 1986-87, which envisages an exchange of delegations from both parties, as well as experts. These documents are of historical significance because our parties have signed a cooperation agreement for the first time. This will influence the development of multilateral contacts between the PZPR and the WPE, our states and also between our peoples.

[Szubach] What is now the socioeconomic situation in Ethiopia?

[Yigletu] The Ethiopian nation is struggling for a just social system to be established. For example, we have nationalized land, housing, private industry, trade and banks. At the same time we are fighting against forces of imperialism and counterrevolution. Last year Ethiopia fell victom to a disastrous calamity of drought. Almost 8 million people suffered from famine. We did everything we could to diminish the effects of drought and help the people. [end recording]

/7358
CSO: 2600/162

POLITICS POLAND

MESSNER'S MINERS DAY SPEECH

LD032017 Warsaw Television Service in Polish 1638 GMT 3 Dec 85

[Speech by Zbigniew Messner, member of the PZPR Central Committee Politburo and chairman of the Polish Council of Ministers, at Miners Day Rally in Zabrze--live; no video available]

[Text] Esteemed meeting participants, dear miners. The Barborka [miners day] is traditionally the opportunity to pay homage to the miners' toil and to give thanks for the results of the extraction industries achieved through hard work. The particularly festive character of this feast is marked by the tradition of the mining profession and constitutes an integral part. For miners and their families this is the day of satisfaction and achievement, the opportunity to evaluate their work which serves the society and the whole country. In Poland every year about half a billion tonnes of useful minerals, mostly hard coal, lignite, ores, sulphur and many other raw materials which are the source of energy and which make it possible for many sectors of the economy to function are extracted. This is the result of work of hundreds of thousands of people from the mining profession. For this effort, for the solid and hard work and its results, I wish to thank you now on behalf of the highest party and state authorities. The words of the highest appreciation for all the Polish miners are herewith conveyed by me from Comrade Wojciech Jaruzelski, the first secretary of the PZPR Central Committee, chairman of the Council of State.

My special thanks go to the hard coal miners and the community of Katowice voivodship, whose mines are the fundamental and decisive part of the Polish extraction industry. While conveying the words of gratitude I wish to emphasize that in the most difficult period of the recent years it was the miners who contributed in a decisive degree to the return of the development trends to the Polish economy. They created a material base for the implementation of the 3-year plan which started in 1983. Almost a month before the end of the year one can say that the mining industry will clearly exceed the 3-year plan.

Additional production will allow better supply of domestic industry with raw materials and energy. These facts objectively determine position and importance of the mining industry. They constitute an important factor in the discussion on directions of economic development. For many years there has been a general opinion that raw material resources, hard coal in particular, are almost unlimited in Poland. Such thinking was not conducive to thrift, or to creation of economic instruments for enforcing compliance. As a result, a particular energy and material consuming structure in industry and construction was shaped and there is no habit of thrifty energy use in private homes, in production enterprises, or in offices and institutions. Such conduct by individual and collective users has also continued in recent years when we had a relatively good coal supply to the economy and domestic market. However it was a temporary situation arising from the low level of industrial production together with restoring the normal pace of work in the mining industry. Restoration of a level of export production and an increase in social demands have again sharply raised the issue of the country's energy balance. Thinking about future years and matters which we will have to solve, we have to be aware that there is no possibility for a substantial increase in energy raw material supplies. On the contrary, it is already necessary today to spend considerable outlays so that there will be no decrease in the level of energy production. Having appropriate energy resources is decisive in realizing an increase in national income, for development of industrial production and for solving social issues and improving living conditions of all citizens. In our country coal is the basic energy source. That justifies the importance which we attach to its extraction and rational use.

The government has thoroughly analysed this issue, taking into consideration options of the national socio-economic plan for 1986-90, the draft of which will be submitted to the Sejm and to society shortly. The starting point is the opinion that in the years 1986-90 we must maintain the present level of coal extraction. All discussions and deliberations on the subject decreasing coal extraction levels show a lack of realism. A drop in coal production would weaken the development impetus of the economy, decrease our payment possibilities and undermine Poland's credibility in the world. We would be threatened with a recurrence of the economic situation of the beginning of the eighties. Thus, we allocate considerable means for maintaining the existing raw material and energy potential, for its modernization and the creation of possibilities for future development.

The value of these means will result from economic possibilities and the overall investment policy. The Government in the past 5-year period made a serious effort to develop the raw material and energy base. The building of 7 new hard coal mines and 34 new extraction levels began during that period. In 3 mines and 11 levels extraction has already commenced. The building of 35 more levels is anticipated in the coming 5-year period and the Kaczyce, [word indistinct] and Warszowice mines will commence extraction.

The maintaining of the quantity of extraction must be accompanied by more effective measures aiming at lowering the extraction cost while further raising the coal's quality and increasing its calorific value. These measures must be undertaken in the ministry, at mining companies and in the pits. New investments and an improvement in the work organization are one of two directions for action aimed at maintaining energy equilibrium. Achieving clear progress in the economies of fuel, energy and raw materials is a parallel task and one that will be decisive in the longer run.

We shall start changing the structure of fuels used, aiming to increase the ratio of gas and liquid fuels and nuclear energy. We shall speed up changes in the production structure of our processing industry. We shall promote modern, economic technologies and products, and gradually eliminate the most energy-consuming ones.

To achieve this aim already in the nearest 5-year period we shall significantly increase funds for research and development work and the implementation of its results. We shall closely cooperate with the CEMA countries, and the Soviet Union in particular, implementing the long-term program that has been adopted.

The clear decrease in power consumption per unit of production of the national income is one of the fundamental conditions for the realization of intentions for the coming 5-year period. After all there are considerable reserves in this sphere. The need to increase thriftiness increases every year. For example, the increase in industrial production planned for 1986 and construction of new flats in the amount planned requires to increase coal deliveries from 5 million to 5 and 1/2 million tonnes. This amount cannot be gained by increasing extraction, this is simply impossible. The present year is typified by a very tense energy balance. A sharper than usual winter in 1984-1985 and the earlier onset of cold weather this year have increased the demand for coal very considerably. In spite of the good work by the hard coal miners and the significant overfulfilment of tasks in extraction of lignite, in spite of the significant increase in supply of coal to the market, the needs of the society have not been completely fulfilled. This forces us to undertake radical measures which force the savings in energy, both by the industry and by the private consumers. This is the only way to balance the capabilities and needs of the economy. Because of increased supplies of hard coal to the market and the increased consumption of coal by the industry the exports will amount to 36 million tonnes, significantly less than last year.

The continuation of the downward trend in the exports of coal in the future years is unacceptable. It must be prevented or else we are going to be threatened by serious problems in maintaining imports of industrial supplies and the settlement of the debt repayments at planned levels.

Esteemed participants mining is not just a matter of extracting millions of tonnes of useful minerals. Equally important are the conditions of miners' work and pay, providing for them the conditions to use the achievements of culture, conditions for leisure, rest and sport. We are undertaking relevant decisions in these matters. Some of them have been mentioned by Minister Czeslaw Piotrowski and leader of the miners federation Comrade Moric.

Actions protecting human health and life are of particular importance among miners. The Polish mining industry is among world leaders in safety. However we cannot set our mind at rest because of that. Potential dangers are not decreasing. Actions serving protection of health and life of mining crews are and will be of utmost importance. Further visible progress in the sphere of environmental protection is very important. Substantial means are and will be spent on land reclamation, on water and air protection, on repairing the damage done by the mining industry and nonutilization of industrial waste. The government policy in this sphere concerns both the present and the future. I said in my Sejm speech on November 12 that the government is of the opinion that full public involvement and civic coresponsibility are indispensable for efficient implementation of planned designs. Labor competition opens a wide field for professional activity of mining crews. Suitable initiatives are desired in this sphere, especially from trade unions. The socialist labor competition movement has good traditions in our country, but circumstances have changed considerably since the years when first initiatives were taken. However, the splendid idea has remained and it is worth continuing, particularly in such spheres as effectiveness, quality, rational management of raw materials and energy, and improvement of labor organization. This idea has been taken up again in many collieries. Miners of Halemba, Borynia or Debinsk have some experiences worth disseminating. We are encouraging you to use them. We count on inventors and rationalizers, whose creative mind can make work lighter, more effective and, most of all, safer. A decisive role is played here by engineering and technical cadre and members of mining supervising. We expect that as before they will give an example of professional efficiency and reliability.

Dear miners, there were not many ceremonial words in my speech. I rather listed many problems whose solution we are still facing. That does not mean to minimize your successes and real achievements. The truth is such that concrete deeds are a far better measure of respect than words. Apart from material results--coal, copper, sulphur and many other raw materials which our country needs--the mining industry has shaped the exceptionally valuable tradition of good work. Performing one's duty with reliability, not letting down a close coworker, not avoiding the most difficult tasks--these are the values creating the ethos of miners' work, this is an example worth following and disseminating, and the base for other valuable social features such as strong family links, responsibility for surroundings, deep patriotism. For these values and for your attitude I wish to thank you cordially. I want to convey you the wishes of quiet and safe work. Please also accept wishes of every success for you and for those close to you, for all mining families.

Allow me a personal remark at the end. For many years I have been attending the Miners Day, many times in this hall, first sitting in a spectators gallery, then in the middle and for several years in the first row. Every time on this day I have had the same feelings of warmness and cordiality, of great respect for your work, for those who work at present and those who created foundations of the mining industry in previous years. Praise and glory to you. Thank you for your attentions.

/7358
CSO: 2600/162

CZYREK OPENS PARTY IDEOLOGICAL CONFERENCE

AU041026 Warsaw TRYBUNA LUDU in Polish 28 Nov 85 pp 1, 2

[Report on opening speech by Jozef Czyrek, PZPR Politburo member and Central Committee secretary, at the 27 November Warsaw session of the Second National Party Ideological Theoretical Conference]

[Text] Welcoming the participants at the conference, J. Czyrek expressed the conviction that the conference will be dominated by a creative and committed atmosphere and that it will accomplish its tasks.

The ninth PZPR congress, J. Czyrek stressed, initiated the process of socialist renewal and the necessary changes in the style of party work, which means that all party echelons now actively participate in "working out" the key theoretical and practical issues of socialist construction in Poland. In this way we made preparations for the sixth, seventh, ninth, and other Central Committee plenums and drew up the declaration "What We Are Struggling for and Where We Are Going." In addition, we have carried out numerous consultations with party organizations about crucial practical problems and decisions. The theoretical-ideological conferences have also adopted this style of party, J. Czyrek said.

Further, J. Czyrek recalled that the first ideological-theoretical conference 3 years ago laid down the task for the ideological front in the period of our efforts to overcome the most acute stage of our crisis. That conference made a great contribution toward strengthening the ideological unity and consolidation of the party's forces. That was a time of difficult ideological discussions, of overcoming and rejecting many erroneous political views, and of searching for in-depth and honest answers to the question that continued to intrigue the party and people.

Today, J. Czyrek continued, the situation of the party and of our people is now qualitatively different, but this does not diminish the importance of the party's ideopolitical work. On the contrary, this poses for the party new more complicated commitments and tasks. One such strategically important task is for the 10th party congress to adopt a new party program.

In connection with this task, J. Czyrek said, the editorial team of the commission charged with drawing up the PZPR program has completed an initial draft, which the Central Committee ideological commission has debated on two occasions already. We now propose that this conference should discuss the draft. Our debates at the conference, J. Czyrek said in conclusion, open a phase of direct preparations for the congress and amount to the first extensive discussion of the draft program by those who through their theoretical knowledge and practical political experience are able to make an especially important contribution to this important document.

/7358
CSO: 2600/162

BEDNARSKI REPORTS TO IDEOLOGICAL CONFERENCE

AU061433 Warsaw TRYBUNA LUDU in Polish 28 Nov 85 p 2

["Summary" of the report delivered by Central Committee Secretary Henryk Bednarski to the 27 November session of the Second National Party Ideological-Theoretical Conference in Warsaw: "The Programs of the Fraternal Communist Party--Problems, Experience, Proposals"]

[Text] The rich experience amassed by the workers movement since the October revolution, H. Bednarski said, has proved that programmatic thought in the construction of a new system is very important and that the successful development of socialist changes requires that general laws and the national specific historic conditions for implementing these changes must be reconciled in a creative and profound manner. The interplay of what is universal and necessary with what is specific and national is the most general law of the construction of socialism and constitutes the common denominator of the programmatic thought of the fraternal parties.

The report to the conference draws attention to the fact that in the fifties and sixties the communist parties evaluated the years during which the bases of socialism were being built and the prospects for the future in their congress documents and that the achievements registered during those years and a new approach to socialist construction have influenced the programmatic documents relating to constructing a mature and developed socialist society. These documents were adopted by party congresses in the first half of the seventies and have been gradually developed up to this day.

Mapping out programs for the process of mature socialism, the communist parties have determined their own role and place in this process. The victory of revolution, the achievement of political power, and profound and comprehensive changes have proved that these parties have successfully accomplished their tasks as political and ideological leaders of the workers class and all the working people, although they have not avoided errors.

The history of the socialist community countries, H. Bednarski continued, demonstrates the great importance of their comprehensive internationalist ties and the effectiveness of their struggle for national and social liberation as well as for peace and progress, and against imperialist diktat in international relations. In a world that is divided on the issue of classes the objective need for close cooperation among socialist countries and peoples on the key issues of domestic development, foreign and defense policy, progress in socialist economic integration, expansive cultural exchanges, and a stronger sense of the community of ideological aims and historical fates of the peoples and countries of socialism.

The lines along which socialism can be improved at its higher stages of the construction of the communist formation, H. Bednarski stressed, are included in the new CPSU program, which is politically and theoretically a very important document for the world workers movement, especially for the socialist system. The CPSU program notes that "the amassed experience and the scientific examination of the changes in the country's internal life and in the international arena make it possible to define more closely and specifically the prospects for the development of Soviet society, the ways and means of achieving the ultimate aim--communism--and the tasks of international policy under new conditions of history." The work on the new version of the CPSU program and on the PZPR draft program has continued at the same time, but independently.

In their draft programs the two parties have stressed similar streams in their policies--streams that are decisive and that include effectiveness of economic management, especially progress in scientific-technological revolution and management relations developed in line with the actual level of production forces; the need for unceasing efforts to intensify socialist democracy; fully humanist people-to-people relations in line with the enormous opportunities provided by our system; the importance of the unity of the socialist community countries; and the consolidation of the international solidarity of the working people in their struggle for peace and social progress.

/7358
CSO: 2600/162

ORZECHOWSKI DISCUSSES PARTY PROGRAM

AU061432 Warsaw TRYBUNA LUDU in Polish 28 Nov 85 p 2

["Summary" of the report delivered by Marian Orzechowski, PZPR Politburo candidate member, to the 27 November session of the Second National Party Ideological-Theoretical Conference in Warsaw; "The Development of the Programmatic Thought of the Workers Revolutionary Movement in Poland and the Basic Principles of the PZPR Long-Term Program"]

[Text] Delivering his report, M. Orzechowski stressed that the discussion of the party program, which is the basic theoretical and political document of the party, and the adoption of this program will be an important event for the party as attested to by the fact that the party program is a record of intentions and measures that will lead to certain theoretically justified social aims.

M. Orzechowski noted that Marxist-Leninist ideology identifies the most general values and aims to be followed by the party of the workers class and that the party program develops these intentions and aims as canons of policy and adapts them each time to the social and material realities and needs of a certain group, class, and party. The party's ability to draw up a program for socialist changes, a program that defines the aims and conditions of socialist construction at its individual stages, is one of the basic conditions for implementing the party's leading role among the people and for the party's management of state functions, economic development, and the mobilization of the masses. The party bears responsibility for the class contents of the planned and implemented socioeconomic solutions. Party must see that the socioeconomic plans and programs are developed in such a way as to guarantee the interests of the workers class, the observance of social justice, and the development of people's rule. The experience of history has produced the truth, the report continues, that the workers class is unable to assert its leading role among the people without possessing its own political party. Aside from its party, the workers class possesses no other instrument with which to influence all the people, all aspects of their social life, and the directions of the revolution of the sociopolitical system. It is precisely the party program that constitutes the condition under which the workers class is able to implement its class interests, aims, and values.

Further the report stresses that the basic function of the party that manages the process of changing society along socialist lines is to lay down the tasks connected with new stages of socialist construction and the tasks that are still not solved and to determine the methods of implementing these tasks. Despite all the difficulties in constricting the party program, M. Orzechowski said, it has been based on solid foundations, because creatively applied Marxism-Leninism, the programmatic traditions of the Polish workers movement, and the experience of socialist construction in other countries are the source of programmatic searches and inspiration. This means that in drawing up the PZPR program we have consulted the necessary sources in order to more fully master the achievements and experience of Marxist-Leninist classics and to look in Marxism-Leninism for new inspiration for the continuation of the programmatic and creative effort of the PZPR to meet the needs of the turn of the millenium.

Having analyzed the party's role in the successive stages of socialist construction in Poland, M. Orzechowski stressed that the Ninth PZPR Congress had returned to the tradition of realistically programming social changes. The congress's evaluation of the social and economic situation, of the party's responsibility for the crisis, and of the need for changes to democratize our political system initiated a new stage in programming the development of socialism in Poland.

The PZPR draft program, M. Orzechowski concluded, is an attempt to summarize most succinctly the experience of socialist construction in Poland in the past 40 years and to formulate proposals about our achievements and failures. On the basis of an in-depth Marxist-Leninist analysis, the program defines the state and the stage of the present socialist changes and maps out their long-term development in the form of programmatic directives for the period up to about the end of this millenium.

/7358
CSO: 2600/162

POLAND

POLITICS

GENERAL VIEWS SECURITY AT PARTY CONFERENCE

AU041018 Warsaw ZOLNIERZ WOLNOSCI in Polish 30 Nov-1 Dec 85 p 3

[Speech by General of Arms Jozef Baryla, chief of the Main Political Administration of the Polish Armed Forces and vice minister of national defense, at the 29 November Warsaw session of the Second National Party Ideological-Theoretical Conference]

[Excerpts] Considering all the determining factors in Poland's position on the political map of Europe, our country bases its security not only on its own defense potential, but also on the defense alliance of the Warsaw Pact. This is the iron canon of our policy. However, our country also bases its development on economic cooperation with other countries of the world. This cooperation depends on our economic potential and on the general political atmosphere in the world. It depends on the extent to which the idea of lasting peace has a real value in international relations.

I do not have to describe to this gathering the causes of global tensions and dangers. All I have to do is to note that the basic source of dangers is the policy of international imperialism, of which the United States is the citadel. The United States is responsible for unleashing the arms race and for pushing mankind toward the brink of apocalypse.

The struggle for peace has now acquired supreme importance and has entered a decisive stage. We are still under the impression of the Geneva meeting between CPSU general secretary M. Gorbachev and U.S. President R. Reagan. We are familiar with all the documents relating to this meeting and to its interpretation, and it is certain that we can call it historic.

Poland's peace and security are not values that have been granted us forever. The struggle for these values continues all the time, also within our country itself, which means that we also face internal dangers. I will discuss them.

There are still in our country the people who, regardless of the progressive stabilization of our life, are trying to undermine our development. This is a struggle in the area of ideology, political thought, science and culture for the awareness of our people and for the permanence of the socialist state.

The fact that it may be possible to reduce tension in the international situation does not at all mean that our internal political adversary will give up his destructive activities. However, we are able to counter his work effectively. The elections to the people's council and the Sejm have proved that the underground forces continue to weaken, that they have lost the support of society, and that their true face betrays their open anti-Polish service for alien money.

We still vividly remember the events of 1980-81 when the activities of our adversaries continued to threaten our national existence and even to raise the specter of an international conflict. Those events were a very salutary lesson. Our adversaries are still trying to change the awareness of our people, especially of young Poles, and are doing this by proclaiming the popular antiwar slogans in an antisocialist manner, by promoting pacifist attitudes, by appealing for the establishment of the so-called independent peace movement, and by creating new planes of struggle. Attempts to undermine the desirability of strengthening our defense and to falsely interpret our expenditures on defense purposes also serve that end.

Are these attempts an exclusive domestic product? Of course not. Our adversaries have rich and experienced external sponsors. Our adversaries' plans are carefully coordinated and materially supported on the other side of the Atlantic, as most recently attested to by the U.S. foundation for antistate structures.

The issue of the state' security is becoming a central issue for all citizens because in the present restless world only a state that is stable and strong in its strong alliances and that possesses the necessary defense potential and an industrious and united society can play a significant role.

I propose that the party program should adopt some lessons stemming from our experience of history. I propose that especially the following four lessons be adopted because they express the intensity of patriotism and internationalism:

--We must never again be weak because no one reckons with the weak;

--The people who are united around the most important issues are capable of greatest feats and sacrifices;

--Dedications to and respect for work and readiness to defend the fatherland are the foremost examples of the civic attitude without which no nation is able to exist;

--It is necessary to have strong and reliable allies and, when they are there, to value them and to develop and strengthen cooperation with them.

In conclusion I want to most strongly stress that in their ideoeducational work our Armed Forces will actively help to strengthen Poland because they are deeply convinced that Poland's security and peace are overriding values that are shared by all of us.

/7358
CSO: 2600/162

IDEOLOGICAL CONFERENCE SUMMATIONS

AU090858 Warsaw TRYBUNA LUDU in Polish 29 Nov 85 p 5

[Report on speeches made by Jozef Czyrek, PZPR Politburo member and PZPR Central Committee secretary, and Marian Orzechowski, PZPR Politburo candidate member, and minister of foreign affairs at the 28 November session of the Second National Party Ideological and Theoretical Conference in Warsaw]

[Text] M. Orzechowski Sums Up the Discussion

Marian Orzechowski, chairman of the PZPR Draft Program Editorial Commission, recapitulated the substance of the discussion. He noted that the conference had opened a new phase of frank discussion on the content of the program. One hundred and twenty people took the floor in issue teams and at the conference plenary discussion. Motions and observations were entered into the conference protocol by 36 people. During the conference, attention was often drawn to issues which lie outside the PZPR Program and academic reflection. Academics have a right, and this is also thanks to the conference, to feel that they are co-creators of the draft program. For understandable reasons, the exchange of views showed that academics have a great variety of viewpoints on certain issues. However, as a result of the conference, the distance separating views on many issues was reduced.

M. Orzechowski also expressed the conviction that the document which is at present being drafted will meet present-day challenges, will be equal to our times--unlike similar great documents in the past.

M. Orzechowski devoted part of his speech to outlining future commission and editorial team work on the draft program. He also pointed out certain general and specific proposals made during the conference which ought to be taken into consideration during further work on the draft program.

Speech Made by J. Czyrek

Speaking at the close of the conference J. Czyrek underscored the importance of the conference for discussion of the draft party program. The Politburo will examine the suggestions made during the conference and will convey appropriate instructions to the Editorial Team for the Formulation of the Program. Once the draft program has been amended to take into account these observations, and especially the speech made by Central Committee First

Secretary Wojciech Jaruzelski, a version will be submitted to the Central Committee. Decisions on presenting the document before the party and society will be taken by the Central Committee. The Central Committee secretary reminded the audience that in accordance with a resolution passed by the National Conference of Delegates, discussion of the document should last at least four months. Taking into consideration the planned date of the 10th Congress, which will decide the final form of the program, the draft program ought to be published in the first few weeks of the coming year.

J. Czyrek stressed that the attention of the entire party had focused on the conference deliberations and that the material which the conference has provided will be closely examined and put to use. Society, and in particular the party, is aware of the importance of the conference, of the significance of the issues which were discussed at it.

The course of conference discussions had shown how necessary such a conference had been for further improvement of the PZPR draft program, stressed the Central Committee secretary. Thus, the Second National Party Ideological and Theoretical Conference had completely fulfilled the hopes which had been placed in it. The speaker added that it would be worthwhile to organize regional conferences devoted to discussion of the draft program, within the framework of planned discussions in those voivodships in which there existed an appropriate base.

The Central Committee secretary then noted that the PZPR program ought--as Wojciech Jaruzelski had emphasized in his speech to the conference--to be the work of the entire party, it should not originate in the quiet of studies, it cannot be the creation of scholars alone, it must reflect the collective wisdom and experience of the entire party. What is wanted is a program which will enjoy the confidence and support of the workers' class, and of all the working people in our country.

J. Czyrek stressed that the discussion of the draft program would be an important factor in the pre-congress campaign. It should serve to enliven the party's ideological life, to prove ideology's importance for the successful implementation of the line adopted at the 9th Congress, and it should, above all, strengthen the unity of the party on the basis of common opinions and the choice of the fundamental lines of society's and the state's development; and it should show that Marxism and Leninism are living ideologies, on the basis of which the workers' class--under the leadership of the party--can build a just social system.

In intending to present a program of development for the socialist fatherland before all of society, the party is guided by the belief that the essential conditions for overcoming difficulties and threats, and being equal to the tasks determining development, already exist. We must attain a rate of development for Poland which will enhance its strength, ensure the just and democratic nature of its system of social relations, increase its economic and cultural potential, and will help Poland to recover world respect and an important role in international life. The main line of the program and congress should be determined by the slogan of continuing the policy of socialist renewal and that of accelerating the country's socioeconomic development. This slogan conveys the essence of the program and emphasizes its dynamic character.

The Central Committee secretary expressed the belief that submitting the draft program for the widest possible discussion will represent another important step along the path of enhancing national accord. For what can be of more importance for accord, for the bond between the party and society, than agreement on the direction in which we want to go, on what we can realistically achieve, and on what we should concentrate our efforts. The program should be a program of national accord in its own way, a program around which the nation will be mobilized.

The many-sided and frequently polemical and critical discussions during the conference confirm that the party is ready to draft a document presenting a long-term conception of the socialist development of our country; the conference also showed how hard it is to draft such a program. We are not creating a program of instructions, or a text-book of political tactics. The program should both set out the long-term strategy of party activity and mobilize all its members, all of society, in the realization of the goals and tasks set out in the program.

We want every party member to be able to compare his attitudes and actions with the aims of the party program; to enable the party member to judge himself, to be able to tell how far his actions serve the attainment of these goals and values.

Ending his speech J. Czyrek said that work on the draft program would continue. The beginning of public discussion of this document places a great responsibility on the Central Committee Commission for the Draft Program, and in particular on its editorial team, a responsibility that entails an extraordinary amount of concentrated and selfless work. The discussion during the course of the deliberations strengthens our conviction that on the basis of the results of the Second Ideological and Theoretical Conference we are in a position to be equal to this task.

Thanking those present for their active participation in the conference J. Czyrek said be believed that they will actively participate in further discussions and in further work on the draft program.

/7358
CSO: 2600/162

PZPR CONTROL COMMISSION ON CADRE, DISCIPLINE

AU042059 Warsaw TRYBUNA LUDU in Polish 31 Oct-3 Nov 85 pp 1,2

[Text] PAP--The Presidium of the PZPR Central Control Commission, which was in session on 30 October, evaluated the commission's share in implementing "The Main Principles of the PZPR's Cadre Policy."

The session approved of the party echelons' practice of informing the territorial control commission about applications for cadre appointments before considering these applications. This enables the territorial commissions to make good use of the cadre records based on their reviewing, control, and educational work relating to cadres. It also approved the participation of party control commissions in the work of the teams appointed to make periodic cadre reviews.

The session noted that the control commissions' proposals that certain people should not be recommended for leading positions were justified as attested to by the fact that most of the 279 such proposals in the first 8 months of this year have already been implemented. The most frequent reasons for such proposals, which are addressed to party echelons, were neglect of duties, bad management, and violations of moral norms. One of the important tasks of the party control commissions is to ensure that party members observe the moral norms laid down in the party statute.

The session noted that from the educational and discipline viewpoints cautionary talks with party members who commit various offenses are useful. In the first half of this year all control commissions had some 4,000 talks, including over 2,000 talks with the people at various leading posts.

The session noted that control commissions continue to support party echelons with increasing effectiveness with regard to correctly developing cadre policy, but that it is necessary to continue and improve educational and disciplining activities.

The session studied the results of the activities carried out by the Central Party Control Commission together with the Agricultural, Food, and Economic Departments of the Central Committee in connection with the irregularities in this year's harvest and, especially, with the fact that some spare parts were not available, overhauls were delayed, and the deadlines for harvest machinery reviews were not kept.

To establish the reasons for this, the control commission had talks with party members from the Ministries of Metallurgy and Machine-building, Finances, Agriculture and Food Economy, Chemistry and Light Industry, and Foreign Trade and with officials from the Central Agricultural Center, from agricultural circles and organizations, and from the Agroma farm machinery agency. The commission also interviewed managers and party secretaries from the Plock harvest machinery plant and the Ursus plant.

The session approved of the results of these talks, noting that aside from objective reasons, a number of harvest irregularities had been caused by a lack of initiative, efficiency, and discipline on the part of the people responsible for harvest. The session noted that these people were responsible to the party for the consistent implementation of the ninth congress and 11th plenum resolutions in this regard. Aside from ad hoc measures, it is necessary to accelerate measures to ensure that the problem of spare parts and their distribution is solved once and for all, and that the deadlines for harvest machinery overhauls are kept.

The session also studied the results of the adjudicating teams of the control commission in the first 9 months of this year. The teams held 41 sessions, considered 274 cases of party members, decided to remove 76 members from the party, and passed 72 resolutions on lower party punishment. They also examined 126 appeals against removal from the party, as well as requests for the annulment of punishment and for the right to re-apply for party membership.

The session agreed that the teams observed the party statute and the rules of the central commission when dealing with party members' cases.

The session was chaired by Jerzy Urbanski, chairman of the Central Party Control Commission.

/7358
CSO: 2600/162

KALKUS VIEWS WORKER STAND ON PARTY MEASURES

AU271252 Warsaw ZYCIE PARTII in Polish 6 Nov 85, issue 23, pp 3, 6

[Interview given by Stanislaw Kalkus, PZPR Politburo member and brigade leader in the Cegielski plant in Poznan, to Andrzej Wisniewski: "Workers and the Party"--date and place not given]

[Excerpts] [Wisniewski] Rank-and-file party members are certain that the coming extensive discussions before the 10th party congress will produce a program that will continue the line of the ninth party congress. How far is this consistent with the hopes of the people, above all the workers?

[Kalkus] The results of the Sejm elections speak for themselves. They have provided clear proof that our people accept the ninth congress line. It is easy to be wise after the event, but all the same I want to assert that I was not surprised to learn that these results were better than those of the elections to the people's councils last year. I knew this would be so because my talks with many people from various communities, and above my knowledge of workers views and hopes, told me so.

[Wisniewski] What did workers vote for?

[Kalkus] Some of them certainly voted out of a sense of civic duty, but most of them expressed their support for socialist reforms. To state this does not amount to an expression of triumph. Our workers went to vote because they were keenly aware of the shortcomings, troubles, and problems that continue to harass them and all other people. Nevertheless, our workers awareness has been changed in the past few years. Our workers have understood not only the meaning of our errors, but also the meaning of the exploitation of these errors by our adversaries. This awareness is the source of their support for our party. Today our workers are no longer cooped up in a blind alley. They can see that each year consolidates our stabilization and produces clear progress, however small it is.

Our workers are for social stabilization and progress as well as for a total realization of socialist reforms. This attitude is also based on the knowledge that today workers are able to influence decisions in their own plants and on a wider scale, if they want to exert such influence. Let me add that they want to do so with increasing frequency. Workers continue to take increasing advantage of their participation in government through their represenative bodies, workers self-management bodies, trade unions, and party organizations, which politically manage plants in the interest of the workforces.

[Wisniewski] It is true that social passivity is being increasingly overcome and that social militancy is reasserting itself. How far is this true of workers?

[Kalkus] I do not think workers have ever been passive. It was not the workers who devise the slogan of so-called internal boycott. Certainly there was a time when workers, perhaps workers above all, were especially bitter, disappointed, and pessimistic. But this is a thing of the past as attested to not only by the Sejm elections, but also by the election campaign and many other important events, particularly such as the development of trade unions, the efficient performance of workers self-management bodies, the good work of the worker-peasant inspection teams, and the clearly greater militancy of the people's councils, which are composed of more workers than was the case in the past. [passage omitted on workers representation in Poznan social bodies]

[Wisniewski] Does an average worker support the economic reform?

[Kalkus] I am amused by people who ask workers whether they can feel that the reform is working. The reply to this is "No." Workers will say that their earning have always been low and are low now, too. They will say this on the principle that it is always better to grumble because grumbling may lead to some wage increases. It will take us a long time to reach a situation in which average workers know what the reform is all about. On the other hand, workers have always known how to calculate and carried out reforms for their own benefit long before we began to use the term "reform." The meaning of the reform for the average worker consists above all in the organization of his work and of the performance of his plant in such a way that people stand in line in front of the plant, hoping to be employed by it.

[Wisniewski] Do you think manpower difficulties are being somewhat exaggerated? Is this not one way of getting more wages?

[Kalkus] If you ask Cegielski workers or workers in many other plants whether there is a manpower shortage they will tell you that there is not. Many will tell you that they just wait to get hold of any work and do it. If you ask this question of plant managers, each one of them will tell you that he is short of workers. As is usual, the truth is in the middle. It is true that we do not utilize our production potential by a long chalk. For example, the shift intensify in our heavy industries amounts to 1.2-1.3 points, which confirms managers' views that it would be useful to have more workers to exploit machinery more fully. However, what workers say is also true, namely, that they could produce more if the work were better organized.

That is why we should first do that which is feasible and listen to workers. At the same time, we should try to improve the prospects of our economy through our work. As for the pressure for wages which you have mentioned, it is a bad practice, but we have to remember that the workers community is not united in viewing the interests of society. In every individual there takes place a contest between his own interests and those of society. [passage omitted on work discipline]

The workers community is not homogeneous in its attitude to work. Some of us work well and some work badly. In particular, it is young workers who are less committed to work and are less attached to their plants. However, they are quite keen on looking after their own interests. Of course, there are people who will always be useless in work as long as they live. I have said this to stress that it is not through training that we must penetrate people's awareness but through mechanisms that force them to adopt honest attitudes toward work and life. We must do all we can--actually we are doing it--to make people realize again that only work can produce the cake we want to eat, as we say in the Poznan region. We must restore the awareness of this fact among many workers, engineers, physicians, civil servants, and so on. [passage omitted on 16th CC Plenum]

[Wisniewski] Because of difficult determining factors, party policy includes many unpopular decisions. How do workers receive them?

[Kalkus] They are not enthusiastic about them, but they receive them with understanding and with an increasing sense of realism. Popular decisions may involve pandering to people and unpopular ones usually indicate that problems are approached with responsibility. Regardless of all their grumblings, people value responsibility and consistency more than anything else. I would not be a worker if at this point I failed to assert that we are not always fully consistent. But we continue the line of the ninth congress, and those who take a realistic view of life appreciate this.

We do not depart from this line, but various determining factors which are not always appreciated by our society prevent us from being fully consistent in our decisions and in our actions that are determined not only by those at the top, but also by ourselves and by our pressure on the center of power to depart from the rules of the economic reform. Taking advantage of the fact that our investment potential has reached its limits to some extent, we often ask for benefits that are good for a given plant but that are harmful for our efforts to rapidly eliminate our economic crisis. I think that the center of power has a difficult task to accomplish in the near future: to estimate accurately and correctly who really needs help and who must be brutally refused help. This task must be actively shared by our primary party organizations if we are to assert that the entire party bears joint responsibility for the people.

[Wisniewski] In this connection I would like to ask how workers received the 20th Central Committee plenum, which summed up party work and pointed out its weaknesses.

[Kalkus] The plenum created great interest, but was received without excitement. It was received as proof of the party's responsibility. Only the weak refuse to admit weaknesses, but the strong freely speak about their weaknesses because they are strong enough to eliminate them. This is how workers viewed the 20th plenum. They received it as proof that the party's strength continues to increase and that our adversary continues to weaken. People appreciate the fact that the party continues to seek full effectiveness. I do not have to stress how important it is for the party to strive for effectiveness. Our effectiveness in action determines the implementation of the ninth congress resolutions, and this implementation will determine the future opportunities for the country's development. Every primary party organization must be fully aware of this because the 10th party congress is approaching.

Going back to your first question, I would like to say that there have never been as many plenums as since the ninth party congress. There have never been so many innovations and so much determination to overcome difficulties. There was the 16th plenum. There was the 11th plenum of the PZPR Central Committee and the ZSL Supreme Committee. We can see the results of this joint plenum in agriculture and in the consumer market. The recent 19th plenum was devoted to the intelligentsia. Its results make me optimistic. All the plenums we have held are a continuation of the ninth congress line and help us accomplish the tasks of the ninth congress. This is how workers who, as I have said, praise consistency, stability, and responsibility for contracted pledges, view these plenums.

/7358
CSO: 2600/162

CZYREK ON SOCIALIST PEACE EFFORTS

AU051540 Warsaw NOWE DROGI in Polish issue No 11 signed to press 12 Nov 85 pp 5-14

[Article by Jozef Czyrek, PZPR Politburo member and Central Committee Secretary: "Socialism and Peace Are Indivisible Terms"]

[Excerpts] Seeking a permanent and just peace is an inseparable future of the workers movement, the liberation struggle of the masses, and socialist construction. From its very beginning the workers movement has appealed to the working people that they should reach agreement and close their ranks in the name of their basic interests and that they should pool their efforts to promote proletarian internationalism instead of struggling against their class brothers who talk a different language. International workers solidarity cannot be separated from efforts to counter aggression and war and to promote peace. [passage omitted on Soviet efforts for peace since October Revolution]

Despite the differences between the countries professing different political system and despite differences between social forces and political streams, realistic attitudes and determination to defend peace are strong features throughout Europe. This is the result of the conviction that Europe must not become a potential theater of war. Only the continuation of the process of transforming our continent into an area of peaceful, honest, and mutually beneficial East-West cooperation will be able to ensure the survival and development of Europe. The basic condition for this is to renounce all efforts at revenge, to consistently observe the inviolability of the existing territorial and political realities, to give up deploying new weapons, and to reduce the stocks of existing weapons. The socialist countries continue their efforts to this end at all levels of dialogue and concrete negotiations.

The vital interests of all the European nations make it necessary to continue the road mapped out in Helsinki, but our task is not only to reduce and eliminate various dangers. It is also our task to create models of constructive solutions. Of course, we know that the world does not end with Europe and that the issue of preventing war and of defending peace is not limited to Europe. While the nations between the Atlantic and the Ural have enjoyed the longest ever period of peace, wars have been waged almost without break in other parts of the world. Experts have calculated that about 20 million people have perished in various armed conflicts since the end of World War II until now, that enormous economic, educational, and cultural losses have occurred, and that millions and millions of refugees, including homeless women and children, have been created.

Solicitude for world peace stresses the special need to counter dangers and to encourage a positive flow of events in Europe. A stable peace in Europe is a favorable factor in solving conflicts in other parts of the world. On the other hand, a threat to peace in Europe, which is a sensitive area, could cause an explosion that would not spare other continents. This is the elementary reason why the socialist countries and various peace forces in Europe are especially active for peace. Today there is a particular, even a dramatic need for this militancy. We are inspired by this conviction when we took effective measures to counter the plants to transform our country into a hotbed of unrest and tension in the center of Europe. [passage omitted on need for peace]

This year the 68th anniversary of the Great October Socialist Revolution has coincided with the peak of an especially intensive political season in the world. Soon the eyes of the world will be turned toward Geneva, where CPSU General Secretary M. Gorbachev and U.S. President R. Reagan will meet.

This summit meeting is rooted in complicated realities. On the one hand, the process of various meetings, contacts, dialogues, and proposals submitted by the USSR and other countries and various political forces has been intensified in the past few months, as attested by the Soviet-American negotiations in Geneva on space and nuclear armaments, by the overcoming of many difficulties at the Stockholm conference on confidence-building measures and security and disarmament in Europe, by the Helsinki meeting of the foreign ministers of the countries that signed the CSCE final act, and pay the solemn and creative nature of the U.N. jubilee session. It is therefore no exaggeration to say that an enormous majority of the world public has positive hopes of the Geneva "summit."

These hopes are all the stronger in view of the fact that, on the other hand, the other realities that form the background of the summit meeting concern the enormous dangers to peace. Statistics are unable to keep abreast of the increases in armament funds, which now amount to over $1.5 billion a day. If the growing trend of the past few years is not halted, this daily amount will exceed $2 billion in a year or two.

[Words indistinct] countries, on the great urgency of the problems of the natural environment, on old and new widespread diseases, and on the lack of even elementary educational facilities and civilization in many areas. We can fully comprehend the burden of armaments only when faced with these facts.

The very essence of socialism is decidedly against this state of affairs and for consistent efforts to curb armaments. The nature of our system, the history of its construction and improvement, ideological, social, and moral principles, and the class interests of workers and all working people make armaments something that is in conflict with socialist aims and something that hinders successful peaceful development, the efforts to raise civilization and culture, and the activities to meet social needs more effectively.

However, no one should expect that the socialist countries will let themselves be outstripped in defense and be forced to accept military superiority of other countries and that they will break down under the burden of the arms race heated up by the aggressive forces of imperialism. Caspar Weinberger is greatly mistaken when he proclaims that the socialist countries will let themselves be "worked to death with armaments." The fact is that the concept of letting the socialist countries break down through the necessity to intensify their armaments amounts to reviving the plans that imperialism has often hatched in the various periods of Soviet history and that have been applied to our socialist community, following World War II. These plans have never succeeded and will not succeed now. Each time they have been reactivated, the costs of armament madness had to be born not only by the peoples, economies, and living standards of the socialist countries, but also to the full extent by the peoples of the capitalist and developing countries, despite the super profits gleaned by the monopolies living on armaments.

The nuclear era is now 40 years old. In this period the destructive potential of the nuclear arsenals in the world has grown some 1.5 million times compared with the potential of the Hiroshima bomb. This alone illustrates the unprecedented danger now facing mankind. The stakes are enormous: Either the arms race will continue and the threat of war will grow, or the world chooses the road to ever greater universal security and peace. "It is only together that we can survive or perish," M. Gorbachev said recently.

This is the background of the plan for the "star wars" that the Reagan Administration continues to promote with such stubbornness and to insist that this is the defense concept. However, this is arrant falsehood. A cursory look at the history of the age-old competition between the "sword" and the "shield" demonstrates that qualitative improvements in the defense system have as a rule induced countries to use the "sword" and the means of attack because they have created the conviction that the sword never fails. The fact is that the means of attack and defense are a single whole. Many statements, many propaganda features, and the U.S. and NATO strategic doctrines, with which the world public is familiar, show that the creation of the space system of combating missiles launched by the other side involves the plans for launching with impunity the missiles of one's own side. This is precisely the meaning of the concept of the "star wars," and it is not necessary to prove what its further implementation could mean and what dangers it could pose.

The weapons already deployed can completely destroy our globe and, of course, mankind. Militarization of space will increase this unprecedented threat many times over. This is what makes the struggle against the implementation of these plans so important. This is now the basic target of all peace efforts in the world.

"Ideological premises" are now being intensively created for the plan for "star wars," the MX missiles, and the deployment of new weapons in Western countries on the basis of the "crusade against their empire," which President Reagan and similar politicians identify with the USSR and the socialist community. This kind of ideological approach to international relations is becoming a crucial obstacle along the road to dialogue, meaningful negotiations, and decisions that are beneficial to peace.

The questioning of the Yalta and Potsdam agreements and of the fundamental item of the CSCE Final Act--the recognition of the legal and political-territorial bases of the European peace order that was established as a result of nations' victory over Hitlerism--is the central point of that ideological approach.

Realizing the unprecedented scale of threats to peace created by Washington's policy adopted at the end of the seventies and the beginning of the eighties, we are all the more motivated to praise and support the great elan of the peace offensive launched by the USSR, its party, and personally, its General Secretary M. Gorbachev. [passage omitted on most recent Soviet peace actions]

In view of its dramatic history and its important contribution to the building of peace, Poland feels that it has a particular responsibility to participate actively in the building of a Europe without wars. For Poles there is nothing more unequivocal than the preservation of conditions of peaceful work and peaceful development, than strengthening the security and position of our country in the world and increasing the weight its voice carries on crucial present-day problems which concern the socialist community as well as the entire international community. [passage omitted on Poland's peace efforts in the last 40 years]

Our national and state interests completely overlap with the interests of socialism and peace. An important section of the front in the struggle for a world without wars, for the elimination of the nuclear threat, for the victory of goodwill and reason, lies in our country. Poland is the largest and most heavily populated of the Soviet Union's allies, it lies in the heart of Europe and is an important factor in the strength of the CEMA and the Warsaw Pact. Let Poland be weighed down with political and economic difficulties, let Poland be turbulent, unstable, and weak--that was the role assigned to our country in the strategy implemented by the White House and the Pentagon during the course of the dramatic events at the beginning of the 1980s. It is becoming more and more obvious to every impartial observer that was happened in Poland and what is continuing to happen in Poland has made a complete fiasco of these plans. Without the people, by leaving us aside or working against us, nothing can be achieved--this is the conclusion that can be drawn from recent experience.

The sooner the advocates of interference in our affairs realize this, the greater the prospects of an improvement in mutual relations.

The hopes of revanchist and revisionist forces beyond the Elbe have been dashed yet again. They had counted on a Poland ridden with internal strife and struggling with every increasing difficulties become a "bent sapling" susceptible to the intentions harboured against our most vital national interests, against the political and territorial status quo and the whole balance of forces in Europe, against peace on our continent. If apart from these voices new drives aimed at a normalization of relations between Poland

and the FRG have emerged, if new constructive political forces, which proceed from political realities, have become activated there, then it must be recognized that this is the result of the attitude assumed by the greater part of Polish society in recent years. This is another contribution to the reply to the question about what the individual citizen, or the workforce or social group can do for the security of its fatherland and peace in Europe and the world.

In casting millions of votes our nation placed great tasks before the new Sejm. Without a doubt the PRON electoral declaration, which set out these tasks in a clear and comprehensible manner, will serve as a signpost for the new parliament.

Socialism, and peace, the international solidarity of working peoples, social progress and the building of a world without wars--these ideas are indissolubly linked. History has proven this and the contemporary world provides confirmation of this. And undoubtedly the future will also provide illustrations of the truth of this.

The world of unimaginable dangers might become a world in which peace will obtain, in which the ideas of coexistence, detente, and international cooperation will have won a definite victory. This calls for a determined struggle, the overcoming of enormous difficulties, and the solution of extraordinarily complicated tasks. Our party, the workers' class and society, and the PPR will not spare efforts to ensure that precisely this prospect is the one that predominates. In light of the experience acquired in the 68 years since the October Revolution, and in the 40 years since the victory over fascism, such a prospect is a realistic one.

/7358
CSO: 2600/162

POLITICS POLAND

SZCZECIN WORKERS MARK 1970 'TRAGIC EVENTS' ANNIVERSARY

LD171331 Warsaw Domestic Service in Polish 1105 GMT 17 Dec 85

[Teodor Baranowski Szczecin report]

[Text] Fifteen years ago, on 17 December 1970, tragic events took place in Szczecin, connected with the just protest of the working class against the distortions in the sociopolitical and economic life of the country.

Today, on the anniversary of those events, the Szczecin shipyard workers honor the memory of those who died in December 1970. It is almost 9 o'clock [0800 GMT]. In front of the commemorative plaque, by the main gate of the Adolf Warski shipyard, a fairly large group of workers from this largest of workplaces in Western Pomerania: They each come forward and lay bunches of flowers at the foot of the plaque--representatives of the management, Party, union and youth organizations, the Shipyard Council of the Patriotic Movement for National Rebirth, as well as workers delegations from all the departments of the shipyard.

The homage paid to the memory of the December 1970 victims has yet another dimension: It means that there is no longer room for a return to a divergence between words and deeds, ideology and practice, such as, in times past, undermined the principles of our system. That is why, among other things, it is so important that such events as December 1970 should not be erased from our social consciousness, nor their causes or their effects.

/7358
CSO: 2600/162

PZPR IDEOLOGICAL COMMISSION MEETING

AU191301 Warsaw TRYBUNA LUDU in Polish 13 Nov 85 pp 1, 7

[Lech Winiarski report]

[Text] The PZPR Central Committee Ideological Commission met on 12 November under the chairmanship of Jozef Czyrek, Politburo member and Central Committee secretary. First of all, the sociopolitical situation since the Sejm election and the resultant tasks for the ideological front were discussed. Jerzy Majka [head of the Central Committee Information Department and recently appointed editor in chief of TRYBUNA LUDU] presented an assessment prepared on this topic by the Central Committee Information Department.

Both this assessment and the lively discussion during the meeting pointed to the growth in society's feeling of civic responsibility toward state affairs, its stabilization, and the perpetuation of the positive consequences of the policy of renewal. This is an expression of confidence in the line of the Ninth PZPR Congress.

All this has affected the Sejm election results, which were better than those of the people's council elections. The point at present is to use the support of citizens in order to enhance ideological consciousness and permit a better understanding of the fact that a better tomorrow depends on the consolidation of socialist transformations. It was that that one must not succumb to complacency nor rest on one's laurels. One should also realize that the political adversary is not giving up his struggle.

The ideological front is faced with the need to develop businesslike discussion on the subject of the role of the state, how to improve its structures, and on the functioning of the mechanisms of socialist democracy. This requires greater propaganda activity and agitation by all party members, not only the PZPR aktivs.

The need was also pointed out to increase influence over the young generation, to bring ways of speaking to young people up to date and, in particular, to take their needs and aspirations into consideration. This should be reflected in ideological-educational work prior to the 10th PZPR Congress. The need to raise the quality of writing, especially in weeklies, was also mentioned.

The competent solving of economic and social problems is the most important matter during the creation of a favorable climate, followed by an examination of the circa 40,000 concrete suggestions made during the election campaign and the adoption of those that are suitable.

Next, Janusz Janicki, deputy director of the Central Committee Ideological Department, discussed the basic points of a developed system of party training. The draft of such a system has been given to all members of the Ideological Commission. Based on the experience so far, this system foresees the continuation of such forms of training as the evening university courses of Marxism-Leninism [WUML], schools for worker aktivs, training meetings run by primary party organizations, and so on. The new training methods envisaged include schools for rural aktivs, teams for studying the rudiments of Marxism-Leninism, and ideological seminars.

The aim of the envisaged innovations is to shape the means to independently assess current socioeconomic and political phenomena in the light of and on the basis of Marxist-Leninist methodology.

The following persons spoke during the meeting: Jozef Woloch, Jerzy Wilk, Woldzimierz Sokorski, Czeslaw Stepien, Tadeusz Walichnowski, Julian Kraus, Gisela Pawlowska, Ludwik Jaczyszyn, Ryszard Brodowicz, Stanislaw Habczyk, Florian Ratajczak, Kazimierz Miniur, Wieslaw Bek, and Witold Skrabalak.

At the end, Comrade Jozef Czyrek spoke.

/7358
CSO: 2600/162

BRIEFS

LIGHT INDUSTRY MINISTER IN UK--Professor Edward Grzywa, the minister for chemical and light industry, visited Great Britain for 3 days at the invitation of the minister for trade, Paul Channon. Prospects for cooperation of the chemical industry with British consortiums were discussed. It was pointed out that there are very good possibilities for increasing turnovers. The achievements of British firms in the area of scientific and research work and in energy economies were discussed. [Text] [Warsaw Domestic Service in Polish 2300 GMT 15 Nov 85 LD] /7358

BARCIKOWSKI RECEIVES EX-SERVICEMEN--A meeting of ex-servicemen's organizations from the socialist states has ended in Warsaw. The chairmen of the delegations were received by Deputy chairman of the Council of State, Kazimierz Barcikowski. The role of ex-servicemen's movement in the struggle for peace, detente, and cooperation between nations, as well as the need for unity in the face of dangers of the present international situation were discussed. [Text] [Warsaw Domestic Service in Polish 0500 GMT 14 Nov 85 LD] /7358

SD DELEGATION IN BERLIN--A delegation of the Central Committee of the Democratic Party (SD) has ended a 2-day visit to the GDR capital. In a conversation with a journalist of the POLISH PRESS AGENCY (PAP) Tadeusz Witold Mlynczak, talking about the course of the visit, assessed in a positive way, the cooperation to date of the SD with the German Liberal-Democratic Party, at whose invitation the Polish delegation stayed in Berlin. [Text] [Warsaw Domestic Service in Polish 2100 GMT 15 Nov 85 LD] /7358

SZCZECIN SAVINGS--Although October was savings week, Szczecin residents did not show greater interest in paying cash into the PKO [Polish Security Bank] savings bank. During last month, savings deposits grew by around 110 million zloty, more or less the same sum as in the remaining months. In our savings books, or in the form of other savings, we have 33 billion, 400 million zloty, which in per capita terms is around 30,000 zloty per resident. [Text] [Szczecin Domestic Service in Polish 1615 GMT 13 Nov 85 LD] /7358

NON-FOOD ITEMS SALES GROWTH--The proportion of non-food items on sale grows systematically. At present it already exceeds 520/0. At the beginning of the year this index amounted to around 500/0. This bears witness to the ever better supplying of the market, and to the ever growing wages. However, Szczecin residents continue to spend too much on alcoholic beverages. Whereas, during the current year, 33.5 billion zloty was spent on purchasing food, as much as 11.5 billion was spent on alcohol. This is 110 percent more than last year. [Text] [Szczecin Domestic Service in Polish 1615 GMT 13 Nov 85 LD] /7358

PZPR'S WOZNIAK AT COOPERATIVES' CONGRESS--The tenth congress of producer cooperative delegates has begun in Warsaw. A delegation of the Central Union of Producer Cooperatives [CZSP], led by Chairman of the CZSP Council Wiktor Sielanko was received by Zbigniew Messner, chairman of the Council of Ministers, this morning. The cooperative activists briefed the premier on the aims of the congrees and the development plans of producer cooperatives. The congress began its proceedings at 10 a.m. The almost half a million-strong ranks of cooperative workers are represented by 452 delegates. They will assess the activity of the union and its self-governing bodies, and also adopt a program for the nearest future. Marian Wozniak, Politburo member and secretary of the PZPR Central Committee, and Deputy Premier Jozef Koziol, are among the invited guests. [No video available] [Text] [Warsaw Television Service in Polish 1620 GMT 18 Nov 85 LD] /7358

CRIME DECREASE--A significant decrease in the level of criminality, to a degree unrecorded for many years, took place in October this year. Some 31,800 preliminary procedures were begun, that is almost 14 percent fewer than during the same period last year. This data refers to common [pospolite] crimes. The number of instances of criminal acts [przestepczosc kryminalna] decreased by almost 16 percent. On the other hand the number of economic crimes has gone up. Instances of preparatory procedures rose by 2 1/2 percent in comparison with a year ago. [Text] [Warsaw Domestic Service in Polish 1300 GMT 19 Nov 85 LD] /7358

MOKRZYSZCZAK AT SZCZECIN PZPR SESSION--The tasks of the members of the organization of the PZPR in the implementation of the resolution of the 20th plenum of the party's Central Committee were discussed during today's plenary session of the PZPR Voivodship Committee in Szczecin. Participants included invited guests, among them Wlodzimierz Mokrzyszczak, candidate Politburo member of the PZPR Central Committee, secretaries of large party enterprise committees, members leading workers, youth and non-party activs. [Text] [Szczecin Domestic Service in Polish 1615 GMT 25 Nov 85 LD] /7358

JARUZELSKI MEETS POLITICAL SCIENCES SOCIETY CHAIRMAN--Wojciech Jaruzelski has met with the leadership of the Polish Society of Political Sciences. Its chairman, professor Czeslaw (Mojsiewicz), briefed the first secretary of the PZPR Central Committee on the activities to date and immediate plans of the society, which is celebrating its 25th anniversary. Wojciech Jaruzelski stressed that the Polish society of political sciences during the whole period of its activity, and even in the most difficult period of recent years, did not break the statutory principles and did not abandon the path of services to socialist Poland. [Text] [Warsaw Domestic Service in Polish 1300 GMT 26 Nov 85 LD] /7358

SZCZECIN TRADE UNION STATISTICS--Of the 768 works enterprises entitled to set up trade unions, 762 have availed themselves of this possibility. Szczecin Voivodship's trade union organizations have 163,000 members, that is, 50 percent of the total employed in these enterprises. The highest proportions of unionists are to be found in socialized agriculture and education and the lowest in the labor cooperative service sectors. [Text] [Szczecin Domestic Service in Polish 0600 GMT 28 Nov 85 LD] /7358

CZYREK ADDRESSES PARTY LECTURERS--Analyzing the international situation at a meeting with Central Committee lecturers, Jozef Czyrek emphasized that, thanks to the peace offensive developed by the Soviet Union and the socialist states, it is entering a stage of detente. With full support for this policy, Poland's participation is more and more active in actions aimed at improving world situation and strengthening dialogue, detente and cooperation. Of particular importance are the recent visits by Wojciech Jaruzelski to New York, Arab countries and Paris, and his talks with prominent foreign politicians visiting Poland, including with Willy Brandt. They consolidate our country's international position. [Text] [Warsaw Domestic Service in Polish 0500 GMT 14 Dec 85 LD] /7358

BARCIKOWSKI AT TUCHOLA HOUSING CONFERENCE--Two-day debates at an all-Poland conference, devoted to finding solutions to housing problems in small towns, have ended in Tuchola. A conclusion was reached that, as far as small localities were concerned, one-family housing construction was best, reinforced by essential, for social reasons, communal and enterprise development. Kazimierz Barcikowski, who is participating in the conference, drew attention to the fact that the current state credit policy regarding one-family housing construction constitutes a significant help for investors, who can further lower building costs by making use of locally available materials. Kazimierz Barcikowski also emphasized the significant importance of conforming construction to regional architectural traditions, and the need to make greater use of social initiatives for speeding up work when building new housing estates. [Text] [Warsaw Domestic Service in Polish 1900 GMT 7 Dec 85 LD] /7358

CSO: 2600/162

CROATIAN JUDGE DISCUSSES POLITICAL CRIME

Zagreb DANAS in Serbo-Croatian 5 Nov 85 pp 18-21

[Article by Zorica Nikolic: "Whom Are We Prosecuting in the Criminal Courts"]

[Text] Do we have too few or too many political crimes?

If we "ask" the statistics about this, they will not prove to be a very good adviser in evaluating the relationship between the number of criminal charges and the political situation in society. For example, they say that just in advance of the counterrevolutionary events in Kosovo, that is, in the year just preceding the hostile activity of the Irredenta, the number of political crimes detected and prosecuted in that province was at its lowest--indeed it fell even to 75 percent of what it had been a year earlier.

At the same time it is well known that there are constant speculations abroad based on statistics, especially concerning the number of political prisoners in Yugoslavia, i.e., the percentage of political crime (which incidentally is low, more accurately negligible: about 0.5 percent of the criminals convicted) is constantly exaggerated by inventing numbers and using various other statistical machinations.

The so-called verbal crimes are the most welcome delicacy for the hostile propaganda against the SFRY (at one time it made a real sensation in the form of a petition written in the period of Tito's illness and death seeking absolute abolition of all verbal crimes and general amnesty for all those convicted of political crimes); these crimes serve them as "evidence" of the alleged undemocratic nature of our system and of its supposed backwardness compared to the achievements of bourgeois democracy and legislation. The bugbear of petitioning, which for several years now--since the notorious petition of 103 "university professors, students, lawyers, and writers" which became public at the end of 1980--has accompanied discussions of the controversial verbal crimes, is, of course, like an "ace in the hole" for malicious people who use it as one of their arguments to express "concern about human rights and freedoms" in our country.

It is therefore no wonder that the crime of hostile propaganda, more accurately, certain forms of that crime as stated in Article 133, Paragraph 1, of the SFRY Criminal Code, which some refer to as "verbal crimes" or even as "crimes of thought," has for a long time been the center of attention not only of experts, but indeed of a broader public, especially certain intellectual circles, nor that the questions which have been raised in connection with these charges have in addition to their purely legal dimension, a definite political dimension as well.

Verba volant, exempla movent, which means: Words fly, but cases prove--says Ivo Korac, judge of the Supreme Court of SR [Socialist Republic] Croatia, whom we asked about the purpose of preparing the study "Problemi inkriminacije neprijateljske propagande u sudskoj praksi" [Problems of Charges of Hostile Propaganda in Court Practice], which a few days ago was on the agenda of a conference of Yugoslav criminal lawyers and criminologists devoted to changes in Yugoslav criminal legislation.

It is unfortunate, Judge Korac argued, that the discussion of that topic has not uncommonly been conducted ex capita, and so this was for us practitioners a challenge and a reasonable pretext for us to become involved in it by surveying the actual state of affairs. We were offended as judges by the constant imputation that some sort of innocent people are being subjected to criminal prosecution, but we also wanted to show whether legislation in criminal law needs to be changed in some respect de lege ferenda (in the law which would be adopted).

Slanderers of Society

And what does the controversial Article 133, or its most controversial Paragraph 1, actually say? That article contains two descriptions of crimes: classic high treason (an appeal for forcible change of the constitutional order) and the crime of thought. The demand to abolish the last part of that article is argued on the basis of the fact that it restricts the freedom of thought and discussion of public affairs guaranteed by the Constitution, it gives the courts the power to decide what is false and what is true concerning sociopolitical conditions in the country, and it essentially restricts the possibility for the public to monitor and criticize what government agencies do.

Judge Ivo Korac feels that the "results of the practical application of the basic crimes, including the one which pertains to what is referred to as slanderous propaganda (whose form, he explains, consists of 'malicious and untruthful portrayal of sociopolitical conditions in the country'), demonstrate, contrary to certain public assertions which have been made, that the regulation, in and of itself and correctly interpreted, does not in any way stifle the basic human right to the freedom of thought and opinion." There are no grounds, then, to amend the law. This, of course, does not preclude the inevitable social risk which unfortunately can never be altogether avoided, just as it can never be certain that at some point the regulation might perhaps be interpreted and applied too broadly. It is a notorious fact, Korac adds, that over the long history of jurisprudence, as a consequence of "judicial errors," there have been wrong decisions, indeed even with respect to standard definitions such as larceny and the like, for example, but still it never occurred to anyone to decriminalize the regulation itself because of the mistaken action of the court in some case. That would be to turn things upside down!

Incidentally, numerous judicial practitioners, warning that one should be very cautious with any possible repeal of that article, have mentioned that the courts (in the immense majority) work very conscientiously, cautiously and painstakingly concerning these crimes in particular, and it rarely or almost never happens that someone is convicted without good reason.

Speaking about the group of so-called slanderers of society, "in which a sizable proportion of the crimes (11 out of 24, or 46 percent) cannot be classified with the necessary reliability either as propagation of Ustashism, Chetnikism, or other similar ideologies, nor of any other less extreme nationalisms," but also mentioning that we "must not be misled by the figures on the political coloring of hostile expression in it (that group) with respect to the real political orientation or allegiance of its perpetrators," Korac enumerates: "For example, in conversations held in the household, in the workplace, but most often in some public bar or restaurant, some of the perpetrators said that the government leadership was 'larcenous' (cases such and such), others that 'society is rotten,' 'the government is powerless,' the sociopolitical system is 'bad,' that 'false propaganda' is being disseminated in the schools, that this kind of society must 'go to ruin,' and still others that self-management is an 'imaginary formula,' that is, a 'lie and deception.'..."

It might seem that the law is after all too strict, i.e., that it wrongly interprets that a man must "be careful how he barks even in his own dwelling," and that one simply cannot say "that our conditions are bad."

However, that is not the case. The folders containing the court cases are the best confirmation of this. The "conversations" referred to were not mere trifles, but, on the contrary, sentences which, as the popular saying goes, no one would touch with a 10-foot pole.

But let us go back to the figures. In all, there have been 76 final convictions of adults under Article 133, Paragraph 1, of the SFRY Criminal Code, which is the real topic of Korac's study. That number represents only 0.7 per 1,000 when compared to the total number of final convictions for all crimes over that same period of time (1980-1984) in SR Croatia--125,498 persons!

For the first of the basic forms of the crime of hostile propaganda, which some authors have referred to as the "crime of calling for antigovernmental resistance," there have been 26 final convictions out of the 72 persons tried (36 percent), while for the other form, referred to as "slander of society" or "slanderous propaganda," 24 out of 72 were convicted (33 percent). The other 22 persons (31 percent) received final convictions of the crime of hostile propaganda, that is, for both these forms treated as a single crime. This is an especially interesting datum for Judge Ivo Korac. Why? First of all, Korac argues, one can conclude that almost one-third of the perpetrators of the crime of hostile propaganda do not confine themselves merely to malicious and untruthful portrayal of sociopolitical conditions in the country, but in their expressions, which are mostly verbal (15 of the 22 perpetrators, or 68 percent), they go even further, calling for or inciting the overthrow of the rule of the working class and the working people, for an unconstitutional change of the socialist system, and for a shattering of brotherhood and unity and the equality of the nationalities and ethnic minorities (8 out of 22, or 36 percent), or only for actions against certain of those protected institutions.

Of course, he concludes, the greater intensity of the attack on the protected social values has been reflected in the magnitude of the penalties pronounced or established: Out of a total of 16, 5 (31 percent) received a sentence greater than the specific minimum (than the 1 year of imprisonment prescribed for that crime) over the range from 1 year to the maximum of 2 years. The perpetrators in the first group (those who only called for or instigated achievement of the aims enumerated in Article 133, Paragraph 1) and also those in the second group (who noly maliciously and falsely portrayed sociopolitical conditions in the country) received less severe sentences.

As for the content of the propaganda activity, here the predominant expressions are based on Ustasha or similar ideology (all of 14 out of 22, or 64 percent of the perpetrators). For example, four perpetrators who were singing as they danced during the celebration of some religious holiday not only maliciously and untruthfully portrayed sociopolitical conditions in the country, but openly called for genocide, and they accompanied all that, obviously in order to remove any possible confusion, with explicit personal allegiance to Ustashism.

Two cases are particularly interesting among those in this category; in those cases the perpetrators started from positions of Croatian nationalism and proclaimed solidarity with the Albanian Irredenta in SAP [Socialist Autonmous Province] Kosovo against the Serbs, "as exploiters of both the one and the other," which, as is well known, coincides with the policy of the Ustasha emigre community, which is shoulder to shoulder with the Albanian fascists (Balists), etc. So, the most interesting, if not the most important. Korac's conclusion: If we add to all this that among these 22 perpetrators there was not a single distinguished intellectual or public figure, since this classification cannot be applied to a teacher (who was also an epileptic), a graduate in theology (a schizophrenic), and a Roman Catholic priest--then we see no occasion on this basis for making any sort of approaches of the charges of hostile propaganda itself as an alleged instrument for suppressing the freedom of thought.

False Operations

With respect to content hostile propaganda based on ideologies of the fascist type are dominant even in the group first mentioned (25 out of the total of 26 cases had that coloring, and Ustashism was far out ahead of all the others--77 percent as against 23 percent).

Mainly, then, it is a question of perpetrators who openly and flagrantly call for fratricidal warfare. For example, (case such and such), one returnee, amnestied for his prior hostile activity while he was abroad, defacing the area in front of the monument to the victims of the fascist terror on the eve of Fighters' Day, shouted to his fellow Serbs who participated in the National Liberation War that they were "traitors" and threatened that they would "burn again" and that they would "prepare them a bloody supper."

Along with these quite recent and increasingly frequent forms of hostile propaganda, reference was also made to the broadcasting and replaying and distribution of audio cassettes containing Ustasha songs and speeches made on particular occasions by distinguished leaders of the Ustasha emigre community, among them in particular a speech by Miro Baresic, who killed our ambassador to Sweden Vladimir Rolovic. We might also mention a barber who in his barbershop gave customers a leaflet to read which had been brought in from abroad and carried the terroristic messages of the so-called "Croatian National Council."

Another statement of fascistoid character, which is why Korac also mentioned it, was made by a perpetrator of Albanian nationality who had returned from abroad and who in agitating for the "Republic of Kosovo," said among other things that it should extend "from Slovenia to Macedonia," and also that the rest of the non-Albanian population "should go back over the Carpathians where they came from."

It is interesting, however, that not a single one of these perpetrators was found to be of unsound mind, and that they even included three propagators of the Nazi fascist ideology of Hitler's war criminals. One, Korac said, sketched in his workplace as many as 25 swastikas, another not only demonstratively wore the "German Nazi eagle" on his work clothing, but in conversations with his work fellows also glorified Hitler's fascist system, while a third sketched a poster which portrayed a capturing of Partizans and also included Hitler's image, which he showed to guests invited to his house. But particular mention should be made of the fact that the perpetrators in this category of the crime of hostile propaganda did not include, Korac remarks, any intellectuals with the profile referred to by those who advocate its decriminalization. Only three of all the 26 perpetrators had intellectual occupations--two economists and one geologist, and none had any reputation whatsoever.

It should also be said that the motive or purpose of the hostile activity covered in the study was most frequently the shattering of brotherhood and unity and the equality of the nationalities and ethnic minorities, and either on its own or together with other motives this figured in 16 cases, or 62 percent.

A Motive in Common

But matters are a bit different in the group of what are called slanderers of society with respect to the figures on motives or goals of the hostile propaganda. That is, whereas in the first two groups the goals or motives were stated explicitly, in this group we encounter them in only 13 out of the 24 verdicts (54 percent of the cases).

In the diffuse segment, Korac concludes, in which statements made from dogmatic positions are interlaced with those which are just the opposite, and which might be said to favor a restoration of the bourgeois system in the country, all of them still have something in common--the indubitable "anti-Titoism," i.e., a desire to turn the people addressed against self-managed and socialist Yugoslavia as such.

Among the cases which in their content could still be classified as propagation of Ustashism and other extreme nationalistic ideologies (they amounted to 13 of the total of 24 cases, or 54 percent), along with the well-known slanderous cliches about "withdrawal of money from Croatia," and the untruthful and malicious portrayal of the counterrevolutionary events in Kosovo, as well as certain ideologically similar resistance called for to "disenfranchisement" in SAP Vojvodina and SR Bosnia-Hercegovina, there were cases such as the presentation of untruthful reasons why Djilas and Rankovic were in their time removed from positions in the party and government, accompanied by a slandering of President Tito, and then expression of the argument about the role of the Chetniks as "saviours" during the occupation ("if it had not been for them, the Germans would have destroyed everything"), which occurred during a conversation about Dobrica Cosic, and especially two cases of hostile propaganda activity which included a distorted portrayal of the situation in particular sectors of society (in jurisprudence among others), accompanied by a reference to Hitler's Nazi and Franco's Phalangist system as the paradigm of a social system or system of government.

That group would also include the cases of malicious and untruthful portrayal of sociopolitical conditions in the country from positions of extreme Croatian nationalism by Vlado Gotovac and Dr Marko Veselica, well known ever since the 1971 counterrevolutionary events in SR Croatia. They were of particular interest to Korac's examination "in view of their status as intellectuals and also in view of the way in which they acted in the form of 'free expression of their views concerning the position of the Croatian nationality in the SFRY,' that is, in the form of 'exposition of the results of their scientific research.'"

Gotovac's and Veselica's activity was judged to be untruthful and malicious portrayal of sociopolitical conditions in the country by the District Court of Zagreb in the first instance and by the Supreme Court of Croatia as the court in the second instance, Korac recalled, and they did not accept the argument of their defense that their statements remained within the limits of guaranteed constitutional freedom of thought and expression, in which the Federal Court concurred in acting upon extraordinary legal remedies.

It should be said in conclusion that we have been referring to an analysis of judicial practice over the last 5 years in SR Croatia, but that, the authors of the study feel, still does not detract from the general Yugoslav importance of the results obtained, although in certain parts of the country, it is quite understandable, there are certain departures because of the specific conditions (for example, in SAP Kosovo), resulting from what might be called differing social situations.

7045
CSO: 2800/71

REPUBLICS VARY IN PROSECUTION OF VERBAL CRIMES

Zagreb DANAS in Serbo-Croatian 5 Nov 85 pp 19-20

[Article by Djuro Zagorac: "Indictments in the Drawer"]

[Text] The Committee of the Assembly for Jurisprudence recently held a "mini" debate as an overture to the main debate which has been initiated by Batric Jovanovic, delegate in the Federal Chamber of the SFRY Assembly, (and supported by other delegates of the Federal Chamber) concerning an analysis of the Federal Public Prosecutor's Office devoted to the causes of considerable differences that have occurred with respect to the number of criminal indictments rejected concerning political crimes. The prosecutor's office, that is, the prosecutor, was called upon to explain that occurrence to the delegates in some detail. There are, that is, assurances that the prosecutors' offices are not conducting a uniform policy with respect to political crimes, that the differences from one sociopolitical community to another are drastic, that people are being convicted under an indictment in one republic, while criminal proceedings are not instituted at all for the same act in another republic, and that in this respect citizens do not have equal rights. To what extent do assertions like this correspond to the actual state of affairs?

Let us quote from the analysis that was submitted: In 1984 the competent public prosecutors' offices in the SFRY acted on criminal charges pertaining to political crimes against a total of 848 persons (763 were charged last year and 85 were carried over from 1983). Of the 763 persons against whom charges were filed, 501 of the cases concerned verbal crimes, or more than 65 percent!

The delegates were especially interested in the rejected indictments. What do they consist of and are the criteria from one republic or province to another the same and uniform? Milos Bakic, federal public prosecutor, cautioned that one should not even look for any sort of perfect uniformity, since it was practically impossible. The Federal Public Prosecutor's Office, likewise, has neither the capability nor the need to investigate the rejected indictments of the other prosecutors' offices, Bakic emphasized. He feels that the criteria concerning that uniformity in enforcement of federal law are also guaranteed through a special instruction which was issued in 1982, and that there are no grounds for public concern.

Verbal crimes were dominant in the indictments rejected, it has been asserted, and that in more than 95 percent of the cases. It is the general characteristic of the rejected indictments that they had to do with very minor crimes, and only exceptionally did they concern serious political crimes. Last year there were eight of those "serious" rejected indictments. In any case, the prosecutors' offices rejected the largest number of charges for the crime of arousing ethnic, racial, and religious enmity, which represented the greatest number. In second place were charges of the crime of offending the reputation of the SFRY, which represented 32 rejected accusations. Here we should emphasize that every charge is processed by gathering information or by undertaking certain investigatory actions. It is usually said that even the "serious" charges end up in the drawers of the prosecutor when certain "big shots" are involved. Under the law, however, every charge must be processed, and only then is it filed away in the drawer.

The conclusion can be drawn from the statistical data that the prosecutors have been "most tender" toward citizens in Slovenia (31 charges, 18 rejected), while they have been most severe in Kosovo (314 charges, 11 rejected). Without a more detailed examination of the charges, it is truly difficult to assert whether the criteria are uniform, that is, whether citizens have equal rights with respect to the federal Criminal Code. The Federal Public Prosecutor's Office explains the specific figures for Slovenia and Kosovo in terms of the fact that there are many more rejected charges where the crimes are less serious, the verbal crimes, and fewer where they are more serious, which is the case with the crimes in Kosovo. Delegate Ema Haglic, incidentally, thinks that the penalties for the verbal crimes are often too severe. She gave the example of a high official in Slovenia who had criticized penal policy in the republic (the most lenient in the country) by saying that before the war he fought against the system of the old Yugoslavia and received a sentence of 2 years for that, and now a penalty like that is pronounced for "coffeehouse jokes."

Who is it who mostly files charges with the prosecutors' offices, who is it who most often is "pursuing" offenders in our country with respect to political crimes?

Individuals are the most frequent source of charges in which criminal prosecution is demanded. The same thing is true with the composition of the charges rejected: the share of individuals is higher than 48 percent, that of law enforcement agencies 40 percent, while all others account for the remainder. The greatest number of charges were filed by individuals in Serbia proper--more than 70 percent, and their lowest proportion was in Kosovo--about 18 percent; in Croatia the share of individuals was slightly more than 23 percent. The prosecutors' offices are grateful to vigorous and conscientious citizens, but there have also been things here which are disturbing. Certain citizens ("informers") often file charges for verbal crimes against persons they have been having trouble with. The purpose of this kind of prosecution, it is warned, is to pursue personal interests and to obtain personal satisfaction. That is why, they say, 48 charges were rejected last year without any investigatory or other action even being taken. They were immediately filed away in the drawer.

It is quite normal, informed people say, for there to be nonuniformity in enforcement of the Criminal Code in our country. The same crime cannot be treated equally in all regions of the country, since the danger to society from such crimes also differs. Ethnic enmity, for example, cannot be treated the same in a multinational community as it is in an ethnically compact community.

Opinions were also expressed in the debate to the effect that prosecutors have not been vigorous enough, that by and large they wait, that they themselves file only 4 percent of the criminal charges concerning political crimes. The example was mentioned of certain books, specifically "Saveznici i jugoslavenska ratna drama" [The Allies and the Drama of the War in Yugoslavia] by Veselin Djuretic, to which Bakic replied that the prosecutors are not censors, that they do not get the books and all printed matter for examination until after they have appeared on the market.

There are those who would like to think that our crisis has been hastened by the divulging of all possible secrets and that much of that "sensitive" material should be kept in the drawer for more peaceful days. Yet that is a great error. The public and arguments can become the most acceptable arbiter under our conditions, indeed even concerning certain "insoluble" problems.

7045
CSO: 2800/71

SCIENCE AND TECHNOLOGY BULGARIA

SUMMARIES OF MEDICAL RESEARCH INTO ENVIRONMENTAL CONCERNS

Sofia HIGIENA I ZDRAVEOPAZVANE in Bulgarian No 4, 1985 pp 55, 60, 64, 71, 75, 83, 86, 91, 96, 100

[The text of each article is available in Bulgarian]

[Text] E. HADZITODOROVA, A. ANDREEV--STUDY ON THE EFFECT OF THE PHOSPHORORGANIC INSECTICIDE CHLORACETOFON ON EMBRYOGENESIS AND POSTNATAL DEVELOPMENT OF THE PROGENY OF ALBINO RATS

Summary. The effect of the newly synthesized Bulgarian phospororganic insecticide chloracetofon (ChAF) was studied on the enbryogenesis and physical development of the progeny of albino rats. In order to study the effect on embryogenesis, the pregnant animals were treated once during various testation terms of 200 mg/kg (LD$_{50}$) and 40 mg/kg (I/10 LD$_{50}$) and daily from Ist to 21st day of pregnancy with doses of 40 mg/kg and 8 mg/kg (150 LD$_{50}$). The following indices were followed up: average number of corpora lutea and implantations of the females, embryonal morbidity rate, weight of fetueses and placentae, placental index, external anomalies. No unfavourable effect was established on the embryonal development under both experimental conditions. The postnatal development of the rat progeny was followed up, that was treated in Ist and 21st gestation day with 40,8 and 4 mg/kg. No differences were established in the outcome of pregnancy and the state of the newly born and viability of progeny both of control and experimental animals. A light retardation in the physical development of the little rats was established from the group with 40 mg/kg, manifested in lower body weight as compared with the controls by 7th and 30th day after birth as well as a delayed opening of the eye slits.

E. KOEN, G. BOBEV--SOURCES, CAUSES AND DEGREE OF POLLUTION OF THE WORKING ENVIRONMENT IN OUR COUNTRY BY CADMIUM AEROSOLS IN SOME ENTERPRISES OF NON-FERROUS METALLURGY AND MACHINE-BUILDING

Summary. Pollution with cadmium aerosols, is elucidated in the paper, in working environment of enterprises of non-ferrous metallurgy and some enterprises of machine-building in our country with a view to the prognosis of the occupational risk of affection of the workers in contract with cadmium aerosols.

The conditions, methodology and methods, according to which the studies were carried out conform with BSS in force in the country.

The occupational risk for the basic technological operations in lead and copper productions is classified depending on the established concentrations of cadmium aerosols. Whereas in the old plants a potential occupational risk exists, the concentrations of cadmium aerosols during all technological operations, in the new plants, are under MAC. At present, no risk exists also with the new production of electrotransducer elements.

In conclusion of the work, regardless of the degree of occupational risk, consideration given to the half-period of excretion of cadmium out of human organism--30 years and its high toxicity, the main measures for prophylaxis and sanitation of the working environment-technological, sanitarytechnisal and organizational--are presented.

L. MIHAJLOVA-DOCEVA, K. KOLEV--EXPERIMENTAL STUDIES ON THE BIOLOGICAL ACTIVITY OF TALC RAW MATERIALS USED IN OUR COUNTRY

Summary. The contradictory data in literature about the biological activity of talc and the wide usage of polymineral talc raw materials necessitated the experimental studies on medical and technical talc, used in our country. The mineral-chemical studies carried out on the two types of talc established a considerable asbestos content in the Bulgarian asbestos raw material used for the experiment (about 6%) and the absence of that component in the medical (imported) talc.

The experiments on animals established the fibrogenic effect of asbestos impure talc, whereas the effect of the medical talc was reduced to the formation of depots with a tendency to incapsulation of the foci.

The results from the experiment with the animals correalate with the data from the epidemiological studies--presence of asbestosis and pleural calcium plaques among the workers, being in contact with the Bulgarian talc raw material.

The biological activity established for the technical talc (containing asebestos) requires a strict observing of the santiary norms, approved for asbestos-containing dust.

B. NIKIFOROV, L. BALABAEVA, I. PETROV--DATA ON THE EFFECT OF ATMOSPHERIC POLLUTION FROM FERROUS METALLURGY ON THE LEVEL OF HEAVY METALS AND CARBONXYHEMOGLOBIN IN THE BLOOD OF THE POPULATION

Summary. The effect of the atmospheric pollution from ferrous metallurty was studied on the content of heavy metals and carbonxyhemoglobin in the blood of the population without occupational exposure. Lead content was established to be increased, amounting to 89 µg. dl^{-1} and manganese--to 6.6 µg. dl^{-1}, caused by the atmospheric pollution. COHb content ranges about 1 percent on the average, and of cadmium--about 0.16--0.23 µg. dl^{-1}. The level of Pl and Mn reached in blood is admitted that could be a precondition for the advancement of morbid phenomena. COHb content in blood shows that CO pollution of air is a risk for those suffering from ischemic heart diseases. The higher concentrations of COHb, Pb and Cd in males established, provided grounds to admit the existence of sexual differentiation of the origination of diseases, associated with those noxae.

B. SIMOVA, S. TERZIEVA, L. CIPILSKA--EFFECT OF HEAVY METALS ON ENZYME ACTIVITY OF SOME SANITARY-INDICATIVE AND PATHOGENIC BACTERIA

Summary. Under condition, close to the natural, the effect of copper, zinc, lead and cadmium was studied within maximum allowable concentrations and concentrations exceeding them 5 to 10 times, on the enzyme activity of E. coli and S. Typhimurium.

Deviations were established in the activity of the enzymes of both species of bacteria, depending on the kind of metal ions. Most essential was the effect on the enzymes catalase and acis phosphatase, indicating a disorder in the process of oxidation, phosphorylation and protein metabolism.

The possibility of using the bacterial enzymes as a sensitive test for evaluation of the effect of the industrial toxicants on bateria is discusses, particularly in the cases when changes in their survival do not exist.

Z. VODICENSKA, F. RAZBOJNIKOVA--CONTENT OF SOME MICROELEMENTS IN BLOOD AND ORGANS OF RATS IN CHRONIC NICKEL INTOXICATION

Summary. The content of copper, zinc, iron and manganese in blood, liver, heart and kidneys of the rats was determined by atom-absorption method in case of chronic, one year long, intoxication with nickel in doses identical or close to the Soviet MAC for nickel in potable water. It was established that nickel in doses 0.0005, 0.005 and 0.05 mg/kg, equal to 1/10 of the Soviet MAC, MAC and 10 MAC in potable water respectively has no effect on the content of the above microelements in blood and the organs studied, but in doses 0.5 mg/kg (100 MAC) it disorders their metabolism in organism. It is presumed that the changes in the content of those microelements lead to disorders in the metabolic processes in organism.

P. IVANOVA--HYDROXYPROLINE IN URINE OF WORKERS OCCUPATIONALLY EXPOSED TO THE EFFECT OF CADMIUM AND LEAD BEFORE AND AFTER THE ADMINISTRATION OF LOW- AND MODERATELY ESTERIFIED PECTINS

Summary. The increased excretion of hydroxyproline in urine of workers, engaged in the production of non-ferrous metals is discussed as a sign of intensified collagenous catabolism. Fifteen workers were followed up with a longer length of service (18-26 years) before and after the administration of low- and moderately esterified pectins--each kind for one month as an ingredient of fruit nectars and fruit squashes. A reduced excretion of hydroxyproline with urine was observed on the 60th day after pectins administration, suggesting the favorable effect on the intensified bone collagenous metabolism due to long-term work under the effect of heavy metals--cadmium and lead.

D. JANKOVA, M. BRASNAROVA, S. GANEVA--COPPER CONTENT IN MILKS AND FINISHED FOODS FOR SUCKLINGS USED IN OUR COUNTRY

Summary. Copper content in mother's milk 2/3 diluted yoghourt of cow milk, non-diluted yoghourt, Bebe I, Humana I and Bebe O is respectively 4.46, 3.88, 3.34, 2.75 and 1.55 µmol/kg, on the average. In the finished foods for sucklings, produced in our country, it is 13.05 and 15.47 μmol/kg fruit vegetable purees with and milk, and 14, 19 and 20.75 μmol/kg resp. In vegetable purees without and with meat. It is rather low--5.82 μmol/kg in the poridge with cheese and butter. During the first three months of life, the expected daily intake of copper for breast-fed children is about the lower limit of the recommendations, given in literature--about 0.8 μmol/kg body mass. As compared with the breast-fed children, it is lower in the bottle-fed ones--about 0.7 μmol/kg, 0.6 μmol/kg, 0.5 μmol/kg and 0.3 μmol/kg when used: yoghourt of cow milk, Bebe I, Humana I and Bebe 0 resp. After feeding on purees the supposed daily import is increased and during the second six months of life, it approaches the recommended optimum.

L. SLAVKOVA--COMPARATIVE STUDIES ON NEW NUTRITIVE MEDIA FOR ESTABLISHMENT OF SALMONELLA BACTERIA IN INFANT MILK POWDER

Summary. A comparative assessment was carried out on the diagnostic possibilities of some nutritive media, time and temperature of incubation, included in our standard methods and proposed by CMEA, with a view to their unification and recommendation as the most adequate ones for the practice.

The nutritive media were experimented in accordance with the main stages of investigation on Salmonellae in the infant milk powders.

The results reveal that at the first stage of investigation--pre-enrichment in liquid nutritive media, the buffer peptone water (CMEA) proved to be more sensitive as compared with peptone water (BSS) during both temperature regimes. With the testing in solid nutritive media for the second stage of investigation, the agar with phenol red brilliant green (prescribed by CMEA) with cultivation at 37°C, proved to be with better diagnostic possibilities as compared with apocholate citrate agar (BSS).

N. OBRETENOVA, L. MECKUEVA, I. POPOVA--THIAMIN IN OUR MAIN TYPES OF FLOUR AND BREAD

Summary. The greatest share of thiamine and some other vitamins from group B, introduced with the food of our population, falls to bread and paste products.

Thiamin content was studied in all three types of wheat flour type 500, 700 and 1150, in rye meal and in the main types of wheat bread produced: "Stara Zagora," "Dobrudza" and "Sofiiski" and ryebread.

The results obtained, illustrated in 2 tables, reveal that the wheat flour type 1150 and "Sofiiski" bread produced with it, were the richest in thiamin. The whiter the wheat flour, the bread respectively, the lower their thiamin content. The rye meal and bread contained half less thiamin as compared with the wheat flour type 1150 and the products from it.

/9274
CSO: 2020/44

SCIENCE AND TECHNOLOGY

GERMAN DEMOCRATIC REPUBLIC

CHEMICAL INDUSTRY: MAJOR COMBINES DESCRIBE PRODUCTION LINES

Frankfurt FRANKFURTER ALLGEMEINE ZEITUNG in German 30 Aug 85 p 16

[Article by Hans Herbert Goetz: "GDR Chemical Industry an Important Source of Foreign Exchange, This Branch of Industry Is United in 14 Combines"]

[Text] The fall trade show in Leipzig is primarily a "chemistry show." In the great halls, the 14 large combines which unite the more than 300 firms of the GDR chemical industry, along with their Western competitors, display their new and also their old products. The "giants" among them are linked partly to the old Saxon place names of Leuna, Schkopau, Wolfen and Bitterfeld. A newcomer among them is the petrochemical combine in Schwedt/Oder.

Based on the value of its production, the GDR chemical industry is the GDR's second largest branch of industry, after machinery and vehicle construction; based on its approximately 340,000 employees, the fourth largest. The chemical industry's share of industrial commodity production is probably about 20 percent. As in all industrialized countries, the chemical industry is of central importance to the GDR economy: Without it everything would stop working.

Forty percent of production is concentrated in the firms in the Halle "Chemical District" at the location of the former IG-Farben firm. The smell of industrial chemistry is in the air of the entire district. Halle is the GDR region with the worst environmental pollution. Leuna was and continues to be one of the largest chemical companies in Germany and Europe. The products of IG-Farben used to go all over the world, as do the products of the GDR chemical combines today. The GDR chemical industry is one of the most significant sources of foreign exchange, perhaps the largest. It ranks very high internationally and has for a long time.

On Sunday morning when the SED Politburo makes its traditional rounds of the fair grounds in Leipzig, the chemical industry is always granted due respect! A visit is regularly paid to one of the two FRG chemical giants always present at Leipzig, Hoechst or BASF. Ever since the reconstruction of the chemical firms largely destroyed or dismantled by the Soviet Union, this branch has been one of the pressing industrial policy responsiblities.

The GDR chemical industry has proportionally strong representation in the SED central committee, the most important leadership body after the Politburo. It is no coincidence that, following Honecker's assumption of office as SED General Secretary in 1971, four directors general of chemical combines were appointed to the central committee. Next to the Minister for Foreign Trade, Horst Soelle, the GDR Minister for Chemical Industry, Guenther Wyschofski, is the longest serving departmental minister in the GDR. He has been a member of the central committee since 1963; he became minister in in 1966, and the fact that he still is after almost 20 years proves that the party is satisfied with him and with the industry. It is quite conceivable that his political career is not finished yet. Wyschofski, born into a working-class family in Bischofswerda in Saxonny in 1929, began an apprenticeship as a skilled worker in chemistry in a synthetic resin company in 1945; he was soon selected to attend the newly created Workers' and Farmers' Faculty in Halle. After completing his abitur, he began chemistry studies in Dresden and finished them in Leipzig with his diploma. The SED recognized his qualities; that is why he was appointed to the central committee in 1953 as a "young man." A year ago, the title of honorary doctor was conferred on him by the technological university in Leuna-Merseburg. The combination of this large branch of industry into 14 large enterprises seems practical to the party and to the GDR government. The structures seem well organized; the responsibility, clear. To these 14 combines should be added the "Minol" combine, which manages the distribution of fuel, and a foreign trade firm. The large combines, like, for example, Leuna or Schwedt, are largely independent in foreign trade (the potash industry, important for the GDR, and also rock salt operations are supported by their own ministries). Based on their market structure, the 14 large combines are, like most industrial operations in the GDR, classical monopolies, or unique suppliers.

The 14 GDR Chemical Industry Combines

Combine	Location	Employees	Production Program
VEB Petrochemical Combine	Schwedt	30,000	Refinery products and end products
VEB Leuna "Walter Ulbricht" Works	Leuna	33,000	Fertilizer, methanol, plastics, emollients, adhesives, fuels, waxes
VEB Chemical Works	Schkopau	30,000	Synthetic rubber, chlorine, vinylchloride and PVC, polyacrylics, high density polyethylene, glycols, stabilizers
VEB Synthetics Works	Schwarzheide	12,000	Polyurethane materials, systems and foamed materials, herbicides, explosives, pryotechnic products

Combine	Location	Employees	Production Program
VEB Combine for Plastic and Elastomer Processing	Berlin	31,000	Phenoplast molding compounds and laminates, filters, packaging materials, plastic and synthetic rubber consumer and industrial products
VEB "Wilhelm Pieck" Synthetic Fiber Works	Schwarza	30,000	Polyamide, polyester and acrylic fibers and threads; spinnerets
VEB Chemical Combine	Bitterfeld	30,500	Inorganic and organic basic chemicals, crop protection and insecticide materials, dyes and dye auxiliaries, catalysts, silicons
VEB Agrochemical Combine	Piesteritz	20,000	Fertilizer, crop protection and insecticide materials, inorganic and organic basic chemicals, pharmaceutics
VEB Germed Pharmaceutical Combine	Dresden		Drugs; pharmaceutical raw materials and active ingredients; laboratory, refined and biochemicals, diagnostics
VEB Lacquer and Paint Combine	Berlin	6,000	Paints, specialized dyes, dispersions, white pigments and (Bunt) pigments, resins for lacquers and varnishes, printing inks
VEB Photochemical Combine	Wolfen	18,500	Photochemical products (films), magnetic and video tapes
VEB Tire Combine	Fuerstenwalde	11,000	Tires, inner tubes, tube flaps and clinchers
VEB Cosmetic Combine	Berlin	9,000	Cosmetics
VEB Chemical Plant Construction Combine	Leipzig-Grimma	32,000	Petroleum processing systems, synthetic chemistry systems

12666
CSO: 2300/25

BASIC CHEMICALS INDUSTRY: FULL CAPACITY EFFICIENTLY ACHIEVED

Leipzig CHEMISCHE TECHNIK in German Vol 37 No 9, Sep 85 pp 359-62

[Article by Wolfgang Kelm (Chamber of Technology), VEB Agrochemical Combine Piesteritz; and by Prof Dr Joachim Kund of the "Carl Schorlemmer" Technical College. Original title: "Management Tasks for the Rationalization of New Plants in Combines of the Basic Chemical Industry;" first paragraph is abstract]

[Text] Abstract

In the last 10 years, more than 20 new plants were put into operation in combines of the basic chemical industry. The issues of how long the startup and stabilization period of a plant last and how soon the plant reaches its full capacity are of great economic importance. High economic growth effects can be achieved--as the investigations reveal--through timely rationalization. The article will deal with the starting points for this and the management tasks rising from them for the future manager in particular as well as for research and engineering departments.

The transition to comprehensive intensification requires maximum use of resources to increase efficiency and subjecting all phases and elements of the production process to rationalization. As a rule, new plants demonstrate a high technical-economic and social level; they cannot, however, be exempted from this requirement. "We can do without investments which merely maintain the previous level of productive forces. Investments must rather open the door to high productivity and efficiency for the future" (Endnote 1) ("Report of the SED Central Committee to the 10th SED Party Congress," reporter: Erich Honecker, Berlin, Dietz Verlag, 1981, p 57). Contributing factors in this are early accomplishment of or consideration of opportunities for rationalization.

Necessity of Rationalization of New Plants

A new plant is a plant (Footnote 2) (From a technical standpoint, the term "plant" refers to "a system of interconnected pieces of equipment." (Endnote 2) (Author collective, "Verfahrenstechnische Projektierung von Chemieanlagen: Anlagengestaltung I" [Process Engineering Planning of Chemical

Plants: Plant Design I], Leipzig, VEB Deutscher Verlag fuer Grundstoffindustrie, 1977, p 9)), which, in comparison with similar plants currently in production, demonstrates a higher technical-economic and social level, which is in its first stages of use, and which has developmental resources, as well as process engineering and technology, at its disposal, whose exploitation leads to a more favorable cost-yield ratio than other rationalization projects of the basic economic unit [enterprise].

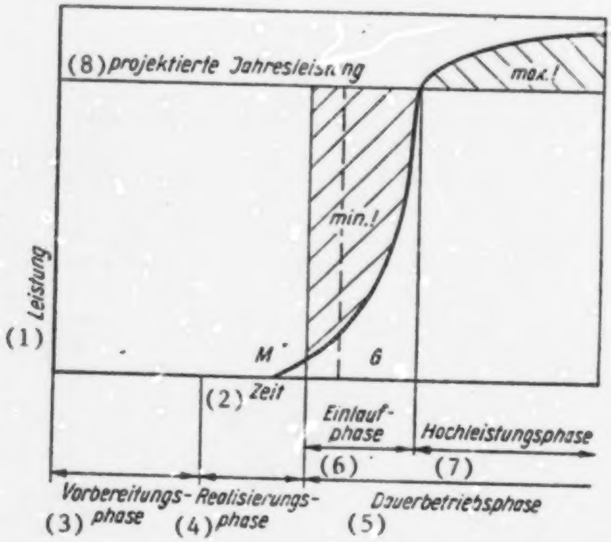


Illustration 1. Rationalization of new plants from the point of view of production efficiency. M represents completion of assembly; G, end of warranty period.

Key:

1. Performance
2. Time
3. Preparation phase
4. Construction phase
5. Continuous operation phase
6. Startup phase
7. Maximum performance phase
8. Projected annual performance

The need for and priorities of rationalization as well as the management tasks resulting from them were analyzed in approximately 20 new plants put into operation during the last 10 years primarily in combines of the basic chemical industry.

Aspects necessitating or making rationalization measures possible immediately after startup of the plants were especially:

-progress in scientific-technical knowledge during the planning and construction stages
-changes in production requirements for the plant
-changes in availability of manpower and resources.

In addition to that, high economic growth effects can be accomplished by timely use of resources and quick transfer of innovations. The reasons for this are especially (see Illustration 1):

-reduction of the period of time from startup to achievement of full production efficiency (Endnote 3) (H. Axen, "The Politburo Report to the SED Central Committee," Fifth SED Central Committee Meeting, 25-26 November 1981, Berlin, Dietz Verlag, 1982, p 39) and
-timely achievement of the maximum performance phase of the plant (Footnote 3) (The maximum performance phase of a plant is the period of time in its production cycle during which its most important parameters lie essentially below the consumption parameters or above the performance parameters of the plan. The temporal limits of this period in the production cycle are defined as the end of the startup phase and the point in time following which further growth in performance must be offset by proportionally excessive, that is, above average for the enterprise, expenditures.).

The growth in performance accomplished by putting the new plants examined into service falls in the range of from 20 to 200 percent based on the respective enterprise and especially points to the economic significance of early rationalization.

Disregarding the time factor results in rationalization taking place in small steps over a longer period of time while production is maintained and, because of this, real economic effects are not achieved until a later time.

For the VEB Agrochemical Combine Piesteritz, the economic effect of timely rationalization of the highly automated single track plants for production of ammonia and urea on the production process of the parent operation is reflected in the following data:

With expenditures for rationalization of these plants accounting for 31 percent of all such expenditures by the parent firm, after a year of successful operation of this important plant complex, the growth in commodity production of the parent company was 79 percent and the average targeted savings for materials and energy for the next 5 years was assured at 97 percent. The cost-yield relationships according to type of expenditure are shown in Table 1.

Unlike the favorable cost-yield relationships of rationalization investments, new investments show investment efficiencies which fall in the range of from M 155 to M 395 of commodity production per M 1,000 of investments. The minimum requirement of the 10th SED Party Congress for the average of all investments was set at M 755 (Endnote 4) ("Report of the Central Committee," Fifth Meeting of the SED Central Committee, 25-26 November 1981, Berlin, Dietz Verlag, 1982, p 58).

Table 1. Comparison of cost-yield relationships after rationalization measures, classified by type of expenditure in the ammonia-urea facility during the maximum performance phase and as an average of the firm's IWP (industrial commodity production)

Index	Plant Complex	Enterprise
Incremental investment output ratio (IWP: Investment expenditure)	2.43	0.91
Research output ratio (IWP: Research expenditure)	3.08	1.69
Maintenance output ratio (IWP: Maintenance expenditure)	1.00	0.38
Total output ratio (IWP: Science and engineering expenditure)	0.58	0.23

The efficiency of new investments and rationalization investments immediately following them in selected plants in basic industry are contrasted in Table 2.

In general, this shows that a plant is already in need of rationalization as soon as it goes into operation. To the extent that economic demands on a firm increase, that price dynamics of plants of both import and domestic origin and high regional economic costs burden combines increasingly during large projects, the need to raise the overall efficiency of these projects and to utilize their early rationalization as a source of growth increases.

Forming Assumptions for Rationalization During the Negotiation and Construction Phase

Achieving the effects of rationalization as soon as possible assumes forming favorable conditions for it even within the framework of negotiations, or concurrently with the investment process. The essential task in this stage consists of developing an understanding very early about which of the strategies for rationalization are to be followed for the rapid achievement of the maximum performance phase and for the entire duration of the production period of the plant. That is why it is necessary to examine the requirements for the developmental possibilities of the plants to be created.

Such requirements can result in particular from:

-necessary above average performance growth within the enterprise,
-long-term increasing limitation of the available labor force,
-continued production profiling in the direction of increased upgrading,
-cessation or drastic reduction of imports,
-necessary flexibility in the face of changing production conditions.

Table 2. Contrast of the efficiency of new and rationalization investments in selected plants in basic industry [as published with 2 notations for 3 plants and none for 2 plants]

Project Size	Incremental Investment Output Ratio of New Investment	Fixed Assets Ratio of the Firm	Contribution of the New Plants to the Firm's IWP	Incremental Investment Output Ratio of Rationalization Investment
	in marks/ 1,000 marks	in marks/ 1,000 marks	in percent	in marks/ 1,000 marks
Projects with 5 new plants	325	790	23	1,500
Projects with 4 new plants	400	770	25	1,200
Projects with 1 new plant	300	350	70	1,000
Projects with 3 new plants	600	1,700	20	1,100
Projects with 3 new plants	250	650	13	900

The generally known fact that, with the advancing level of processing of investment documentation, knowledge of the new plant increases continually on the one hand, but, on the other hand, the possibilities for imposing individual conceptual illusions decline, must be especially considered while preparing to conclude the contract. Because of this, the collection of information plays a very crucial role for all parties involved even in the early stages of arranging investments.

In addition to specialized literature, travel, meetings, scientific conferences held by the larger plant suppliers and licensers, questioning of experts, and consultations, there are numerous possibilities which definitely should be explored to determine the starting points for rationalization before conclusion of the contract (see Illustration 2).

Not infrequently, failure to take advantage of these possibilities in plant planning, for economic and other reasons, has led to longer stabilization phases and excessively delayed rationalization phases. The resultant losses far exceed the savings in these insignificant expenses, which, as a rule, make up less than 1 percent of the total investment.

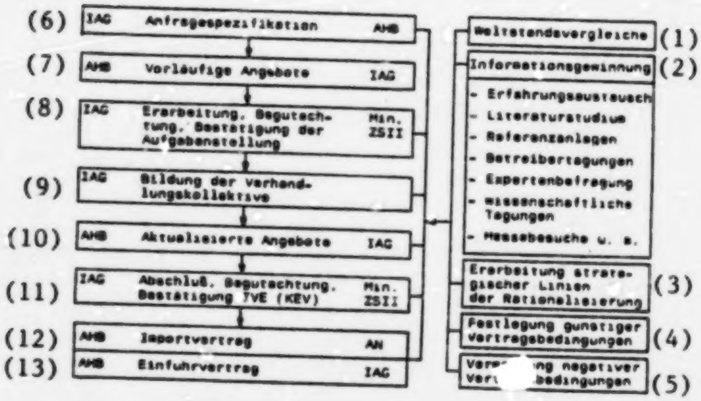

(6)
IAG
Anfragespezifikation
AHB
(7)
AHB
Vorläufige Angebote
IAG
(8)
IAG
Erarbeitung, Begutachtung, Bestätigung der Aufgabenstellung
Min. ZSII
(9)
IAG
Bildung der Verhandlungskollektive
(10)
AHB
Aktualisierte Angebote
IAG
(11)
IAG
Abschluß, Begutachtung, Bestätigung IVE (KEV)
Min. ZSII
(12)
AHB
Importvertrag
AN
(13)
AHB
Einfuhrvertrag
IAG
Weltstandsvergleiche
(1)
Informationsgewinnung
(2)
- Erfahrungsaustausch
- Literaturstudium
- Referenzanlagen
- Betreibertagungen
- Expertenbefragung
- wissenschaftliche Tagungen
- Messebesuche u. a.
Erarbeitung strategischer Linien der Rationalisierung
(3)
Festlegung günstiger Vertragsbedingungen
(4)
Vere[illegible]ng negativer Vert[illegible]bedingungen
(5)

Illustration 2. Priorities for preparation for rationalization of new plants in the phase ending with establishment of the contract. (IAG represents investment client; AHB, foreign trade enterprise; Min, ministry, ZSII, central state investment committee; IAN, investment contractor; IVE, preliminary decision to invest; KEV [expansion unknown])

Key:

1. Study of need internationally
2. Information gathering
   - Exchange of experiences
   - Study of literature
   - Comparable plants
   - Operators meetings
   - Consultation with experts
   - Scientific meetings
   - Trade show visits, etc.
3. Elaboration of the strategies for rationalization
4. Determination of favorable contract conditions
5. Avoidance of negative contract conditions
6. IAG Inquiry specification AHB
7. AHB Preliminary bid IAG
8. IAG Elaboration, Assessment, Confirmation of types of problems Min. ZSII
9. IAG Formation of negotiating team
10. AHB Updated bid IAG
11. IAG Contract conclusion, Assessment, IVE (KEV) authorization Min. ZSII
12. AHB Import contract IAN
13. AHB Import contract IAG

The importance of efficient use of experiences of CEMA partners for startup and rationalization was demonstrated for example in the cases of the ethylene plants of Litvinow (USSR) and Boehlen as well as the ammonia plants of Piesteritz and Newinnomyssk.

An additional priority in the formulation of assumptions for rationalization is avoidance of obstructive clauses in the contract. The following clauses which are often encountered in major contracts are especially obstructive for rationalization:

-inclusion of restricted export categories,
-prohibition of development on one's own without authorization from plant suppliers or licensers
-inclusion of product quality, assortment and production quotas
-purchase agreements connected to stock investments, etc.
-product- and plant-specific difficulties.

Ultimately such inclusions can frequently only be circumvented with higher expenditures for rationalization.

The critical premises, according to which investment is to be prepared for and executed, are set at the time of the conclusion of the contract and the submission of technical supplements. Innovations, which result in contract and project changes, are hindrances both to the interests of the firm accepting the order as well as to the complexity of the investment process. Experiences from successful startup and timely rationalization imply that the active role of the investor and his technically based knowledge are decisive in achieving additional economic effects through relatively small improvements of the process, additional investments, etc. (Illustration 3).

Rationalization ideas, which may be integrated into the ongoing investment process through concurrent processing of documentation, are found in the results of project monitoring, process analyses on the basis of the project, and evaluation of other information, during design or even during order documentation.

In addition, the existing cooperative relationships with the investor's on-site supervisory staff are especially useful to the future operator for a smooth transfer immediately following the startup of the plant. The ongoing financial and contractual relationships offer more favorable opportunities for material implementation of innovations than after the dismantling of the construction site.

An additional starting point for preparation for rationalization during the investment phase consists of considering project-related connections for future rationalization measures. Of particular importance among these are:

-consideration of such measures from the standpoint of internal and external factory space, energy, supplies, and waste management
-consideration, acquisition and installation of test and measurement technologies, automated data collection systems for a thoroughgoing scientific-technical penetration of the processes
-creation of built-in connections for expansion units and stock investments

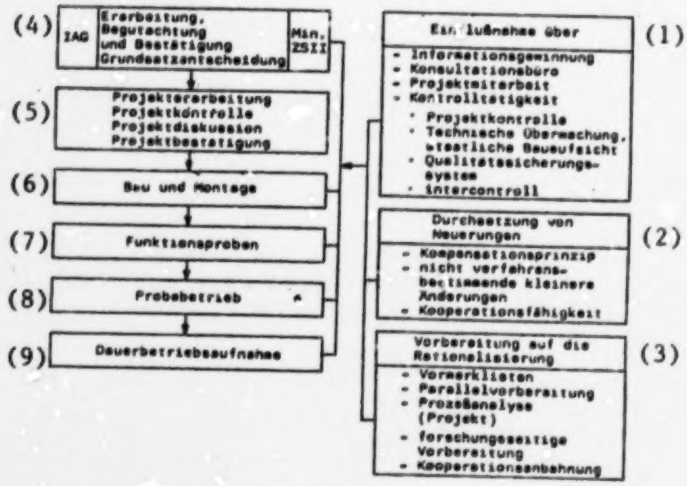

(4)
IAG
Erarbeitung,
Begutachtung
und Bestätigung
Grundsatzentscheidung
Min.
ZSII
(5)
Projekterarbeitung
Projektkontrolle
Projektdiskussion
Projektbestätigung
(6)
Bau und Montage
(7)
Funktionsproben
(8)
Probebetrieb
(9)
Dauerbetriebsaufnahme
Einflußnahme über
(1)
- Informationsgewinnung
- Konsultationsbüro
- Projektmitarbeit
- Kontrolltätigkeit
· Projektkontrolle
· Technische Überwachung, staatliche Bauaufsicht
· Qualitätssicherungssystem
· intercontroll
Durchsetzung von Neuerungen
(2)
- Kompensationsprinzip
- nicht verfahrensbestimmende kleinere Änderungen
- Kooperationsfähigkeit
Vorbereitung auf die Rationalisierung
(3)
- Vormerklisten
- Parallelvorbereitung
- Prozeßanalyse (Projekt)
- forschungsseitige Vorbereitung
- Kooperationsanbahnung

Illustration 3. Rationalization priorities in the phase ending with the start of continuous operation

Key:

1. Exertion of influence over
   - Gathering of information
   - Consultation office
   - Project cooperation
   - Supervisory activity
     - project control
     - technical supervision, building supervision department
     - quality control system
     - intercontrol
2. Implementation of innovations
   - Compensation principles
   - Relatively small changes not affecting the process
   - Cooperation potentials
3. Preparation for rationalization
   - Possibilities list
   - Concurrent preparation
   - Process analysis (plan)
   - Research related preparation
   - Initiation of cooperation
4. IAG Elaboration, assessment and authorization of decisions on principles Min. ZSII
5. Project elaboration
   Project supervision
   Project discussion
   Project authorization
6. Construction and assembly
7. Performance checks
8. Test runs
9. Start of continuous operation

Crucial Role of the Future Operator

The primary activities for rationalization of new plants with investors must, of necessity, originate with the future operator, that is, with the production department (Endnote 5) (W. Kelm and J. Kund, CHEMISCHE TECHNIK, Vol 35, 1983, pp 319-321). As a rule, this department develops from the pool of the investor's on-site supervisory staff and should concentrate its rationalization activities primarily on:

-extension of the capacities for rationalization of processes, of decentralized groups of technologists, laboratories, project designer groups, maintenance capabilities based on the scope of the planned strategies,
-intensive project study and project supervision within specific aspects of rationalization
-establishing production cooperation with domestic and foreign partners,
-content-related, structural and technical preparation of process analyses, the methodical keystone of the scientific-technical penetration of the future production process,
-planning of future rationalization investments.

The major interest of the future operator in this will consist of providing all the conditions to assure, in a timely manner, stabilized operation of the plant. Priorities in this are:

-elimination of "childhood diseases" through early recognition of process weaknesses,
-recognition and elimination of plan-, construction-, and assembly errors to achieve a troublefree startup,
-design, research, and investment preparations for further innovations to increase production and efficiency.

Handling these priorities quite often depends on the personality of the manager, his position relative to the supplier, the clarity and the status of the rationalization strategy and other factors.

Of particular importance for the control of the extensive conceptual, analytical and technical tasks of rationalization is its possible managerial inclusion in the investment process.

Based on previous experience, the establishment, according to the following criteria, of an organizational unit for process rationalization with the priority of process-related research and timely implementation of innovations is useful to the future operator:

-process-specific
-size of the new production process (beginning at approximately 400 employees)
-scope and complexity of the rationalization plan.

The size of such an organizational unit should not exceed from 4 to 6 percent of the production personnel for the process involved, and it should also be developed from the scientific-technical staff needed for the preparation of the investment.

Engineering Department Influences Numerous Factors in Full Capacity Utilization

The contribution of the engineering department to rationalization is directed at increasing the time of full capacity utilization of plants and at preparing for and effecting rationalization investments quickly.

The high scientific-technical and social level of the newly installed plants in the basic chemistry industry permits the accomplishment of maintenance according to plan. The prerequisites for it are found in an efficient and timely preparation of the firm by its maintenance department. Just as the future operator must cooperate in the preparation and construction phases, maintenance must also be involved. The elaboration of individual ideas for the scientific-technical penetration of the project from the standpoint of rationalization and the creation of low-maintenance and easily maintainable constructions form important bases for this. Involvement of maintenance personnel in the construction phase, for example, as assembly workers or to handle other bottlenecks, has proved to be worthwhile.

An additional important condition for rationalization and maintenance according to plan is technical diagnostics, which must be set up with plant-specific rationalization staff and technical research as a specific technical pool for rationalization.

Unavailability and lack of ability of relatively large in-house maintenance staffs for general overhauls as well as the high economic losses for every hour of downtime force operators of large plants into maintenance cooperatives in their branch of industry, in the region and on international levels.

Therefore, general overhauls are gaining increasing significance as the major route to modernization, and also for guaranteeing longer uninterrupted running times for highly automated plants. Because of the high intensity of cooperation resulting from this, the necessarily high level of prefabrication, the high manpower and equipment concentration, and the enormous range of capacities, such general overhauls are like investments in speeding up time and make extremely great demands on management.

Research Guarantees Long-Term Growth of Performance

The primary activities in the area of research and development in preparation for rationalization are based on adaptation research and conceptual work. In the 20 large plants studied, the scientific-technical advances were 90 percent imported. The research departments of the combines in these projects limited themselves, as a rule, to adaptation research.

The main objective for research in the rationalization of new plants is to continue to develop plants and technologies, for both the intermediate term and the long term, to achieve savings- and growth effects, and especially to reduce productive consumption drastically.

The coordination between centralized research and decentralized process rationalization is intended to assure material connection to other processes, research cooperation, and development of new products. To this end, research work for large plants is extremely complex and includes product development and process research as well as technical research. It is therefore advisable that, in project-related, long-term conceptual work, the developmental lines of the new plants be elaborated through teamwork by the development and research departments of the combine, the future operator, and other departments and that the required cooperation already be established during the investment process.

12666
CSO: 2300/25

SCIENCE AND TECHNOLOGY HUNGARY

JOURNAL ARTICLES ENUMERATED

Budapest MAGYAR ELEKTRONIKA in Hungarian No 2, 1985 pp 2, 3

[Text] Contents

NOTE: Concerning Bridges--On Anniversaries..........1

FOCUS

Cost Expenditures of Japanese Firms On Electronics Research & Development....4
Spanish Opinions on User IC's..........4
Czechoslovak-GDR Cooperation in Development of Industrial Robots..........5
Report on the 4th International Conference on User and Semifinished Circuits.5
Developmental Goals in Manufacture of Siemens Semiconductors..........6
Fifth Generation Computers and Japan..........7
U.S. Encourages Foreign Countries to Use Technological Development Results...7
China Sells to Toshiba..........7
Gould Inc. Opens Office in Peking..........8
Developmental Goals for Personal Computers..........8
Realization of a PDP-11 Minicomputer in an Integrated Circuit With the Aid of a J 11 MIcroprocessor..........8
HiBi-CMOS--The Technology of the Future?..........10
An Upswing in Electrically Erasable-Programmable Stores (EEPROM) in 1985....10

DEVICES

Gabor Rajkai: A Domestic Rapid Fourier Analyzer..........16
Istvan Haraszti and Gyorgy Sasdi: Programmable Attenuators..........16
Ferenc Kekesi: Video Signal Recording, Image Disks, Image Disk Players......16

USER IC's: Tibor Tuzson, Janos Erdelyi: The U400 EBM 8 Parallel Multiplier..45

MICROHARDWARE: Bertalan Szillassy: The 18086 Processor..........50

PANORAMA: Peter Horvath: The Mouse and Computer Link..........62

HOBBYTRONICS: David Ada-Winter: Programming in Machine Code on the ZX Spectrum V..........66

CIRCUITS

Development of a Two Gate Static RAM..74
An Efficient Band-Pass Active Filter.......................................74
A Digital Monostable Multivibrator...75

FURTHER TRAINING: Ferenc Beleznay: Basics of Semiconductor Properties IV....78

HISTORY: Jozsef Csorba: History of Television..............................86

REVIEW: New Books..92

INTERFACES

We Have One Question...94
Research-Development-Manufacture...96
Appointments...96
Miscellany...97
Conference-Competition-Further Training....................................98

NEW PRODUCTS..101

AFTER HOURS: "Ars Electronica"..106

ON OUR COVER

The first Hungarian Fourier analyzer has been created as the result of several years of developmental work at the BEAG [Budapest Electroacoustics Factory]. This most complex measuring instrument is a significant developmental achievement from the viewpoint of both measurement technology and computer technology. Gabor Rajkai--leader of the developmental work--describes the course of the planning, the basic principle of operation and the structure of the device. The author and his colleagues will return later to the problems of detail and the circuit solutions which may be of interest. Manufacture of the device has begun and it can be ordered from the BEAG.

DEVICES

Our readers will find three articles in our column with this title. In addition to the Fourier analyzer we can become acquainted with a significant family of devices, the TELMES programmed attenuators. These instruments, which can be used in high frequency measurement technology, are unique on the socialist market. Istvan Haraszti and Gyorgy Lasdi, who led the development, describe their structure and technical data. The third communique--the article by Ferenc Kekesi--leads the reader to a new area in Hungary. Here we are still at the age of initial testing of video tape image recording, but we must agree with the author that in the course of working out long-range developmental ideas we must consider a new method of image recording, the image disk technique. In a recent article, while analyzing the American (U.S.) video market, it was established that this technique, used by few firms, is a slowly developing business there and--possibly--it will be a primary method for professional image recording in the near future.

USER IC's

We cannot have much news yet about domestic use of equipment oriented integrated circuits. The design and manufacturing conditions for using this new circuit design technology already exist at the MEV [Microelectronics Enterprise] and we hope that use will begin shortly. As a result of the design work of Tibor Tuzson and Janos Erdelyi we already have the first LSI complexity design based on the U400 semifinished circuit, an 8 bit parallel multiplier. The circuit, which is significant in the designing of microprocessor systems, is a good example of the use of user designed integrated circuits. According to the tests the first examples work well and series manufacture can begin if there is a demand.

PANORAMA

We put Peter Horvath's article about the "mouse" in this column--for lack of a better. The "mouse" is a valuable accessory for microcomputers; they use it abroad in the solution of graphics tasks and for games. According to our information no one here makes a mouse yet, although surely there would be a demand for it. The article summarizes various solutions and analyzes their advantages and disadvantages.

FURTHER TRAINING

In this issue Ferenc Beleznay finishes his series on the physical fundamentals of the semiconductor. Many--who have followed him as he introduces us to the secrets of the operation of semiconductor devices--would like the series to continue. We hope that in the future we will be able to satisfy our readers' thirst for knowledge; we will continue our series. In our next issue we will describe the principles of the operation of the MOS transistor.

8984
CSO: 2502/9

SCIENCE AND TECHNOLOGY HUNGARY

HUNGARIAN RAPID FOURIER ANALYZER

Budapest MAGYAR ELEKTRONIKA in Hungarian No 2, 1985 pp 16-24

[Article by Gabor Rajkai: "A Domestic Rapid Fourier Analyzer"]

[Excerpts] On a commission from the Electroacoustical Factory engineers of the "PONT" Automation and Measurement Technology Small Cooperative have developed a rapid Fourier analyzer which can be used in many ways. In the following we will describe the circumstances involving the creation of the instrument, its chief characteristics and its systems structure.

A rapid Fourier analyzer (FFT analyzer) working up to 20 kHz could be a useful tool in many areas of science and technology. Desk or portable instruments using this principle are manufactured in series in only a few of the most developed capitalist countries (the United States, Japan, Denmark). Despite the fact that a need for simultaneous frequency analysis has appeared in a number of places here at home these imported instruments are not widespread because of acquisition difficulties.

The OMC 105 Universal Rapid Fourier Analyzer manufactured and sold by the Electroacoustical Factory serves to satisfy needs in a number of quite different areas (for example, machine diagnostics, acoustics, medical biology and telecommunications).

Gabor Rajkai:

I am 40 years old. I graduated in 1969 from the day branch of the Electrical Engineering School of the Budapest Technical University. For 10 years I worked in various assignments at the BEAG [Budapest Electroacoustics Factory], dealing primarily with the development of electroacoustical transformers. For 4 years I headed a developmental department of the factory. In 1979 I got a job at the Measurement Technology Research Laboratory of the Horticultural University. Here I had foodstuffs industry and agricultural automation and measurement technology tasks. In 1979 I got a doctorate at the Budapest Technical University in technical acoustics. In 1983, with my colleagues, I formed the PONT Automation and Measurement Technology Small Cooperative and I have been president of it since. My favorite area is digital signal processing. I have two sons and one daughter. If my time and opportunities permit I like to travel and go on excursions.
8984
CSO: 2502/9

PROGRAMMABLE ATTENUATORS

Budapest MAGYAR ELEKTRONIKA in Hungarian No 2, 1985 pp 25-32

[Article by Istvan Haraszti and Gyorgy Sasdi: "Programmable Attenuators"]

[Excerpts] The Status of Domestic Manufacture and Development

Equipment similar to the attenuators described above could be obtained only from capitalist importers. For this reason the CEMA countries posted the goal of producing them, and the development and manufacture were assigned to Hungary. Thus development began in 1971 in the MIKI [Instrument Industry Research Institute].

As a result of the great market demand manufacture of even the first units to be developed began in a fairly large series. In view of the larger number of units the MIKI transferred the manufacturing license to the TELMES Instrument Manufacturing Cooperative which undertook the manufacture necessary to satisfy the needs of the CEMA market. At the same time TELMES undertook the development of additional models.

In the elapsed period we have developed six basic models and a number of versions of these suiting user needs. The TELMES Instrument Manufacturing Cooperative is manufacturing the developed units at this time. The foreign dealer is Metrimpex and the domestic dealers are the MIGERT commercial enterprise and the manufacturer.

General Characteristics of Programmable Attenuators Manufactured by TELMES

In the course of the developmental work we always strove for a uniform solution. The goal was an application of technologies which would make economical manufacture possible. In accordance with this the devices have a uniform systems design and mechanical structure, despite the fact that every basic type is manufactured in several versions. We ensured this by building the devices out of units which were independent in the systems technology sense, and the various variations of these provide the differing versions of the several basic types.

Electric Manual and Computer Controlled Programmed Attenuator

The systems structure of the programmable attenuators makes possible the production of many variations meeting the market needs. The basic unit of each version is the high frequency damping block.

The structure of the high frequency damping block is uniform in all basic types. In each of them the desired attenuation value can be set with the aid of special high frequency switches, with the aid of base pads linked in series. Each damping block consists of a maximum of three decades linked in series.

The attenuator pads in these damping blocks are made with thin layer technology (developed and manufactured by the MEV [Microelectronics Enterprise]). Pi pads consisting of discrete elements are used in the frequency range below 1.3 GHz while distributed parameter attenuator pads are used in the frequency range above 1.3 GHz. In the interest of high precision and long lived stability the attenuator wafers are aged thin layer circuits.

The essential element of the high frequency damping block is the high frequency switch, which must satisfy the requirements described in Section 2. Developing the switches used in the damping blocks was one of the most important steps of the development. And a number of solutions were found; these differ fundamentally from the switching elements used thus far. The high precision setting technology for the attenuator wafers and the structure of the high frequency switches used are service patents of TELMES.

To facilitate measurements a high frequency switch-over family was developed for the programmable attenuators. Such a switch suiting each type figures in the technical data for every type and can be ordered as an option.

"N" type connectors, in the range above 1 GHz, and "BNC" type connectors, in the frequency range below 1 GHz, were fitted to the high frequency signal inputs and outputs of the programmable attenuators, or high frequency switches.

A new attenuator, and switch-over for it, is under development now; it will operate in the DC-18 GHz frequency range.

BIBLIOGRAPHY

1. Dr Istvan Kassa: "Microwave Integrated Circuits", Technical Book Publishers, Budapest, 1978.

2. Dr Karoly Geher: "Linear Networks", Technical Book Publishers, Budapest, 1972.

3. Rudolf Radnai: "Automatic Measuring Instruments and Measuring Systems", Technical Book Publishers, Budapest, 1981.

4. Hewlett-Packard Product Catalog, 1984.

5. Rohde-Schwarz Product Catalog, 1984.

6. Narda Product Catalog, 1978.

7. Hewlett-Packard Coaxial Waveguide Catalog, 1979/80.

TABLE OF TECHNICAL DATA

Data Category	TT-4132/B	TT-4134/B	TT-4135/A
Frequency range	DC... 1 GHz	DC... 100 MHz	DC... 500 MHz
Surge impedance	50 ohm	75 ohm	50 ohm
Attenuation range	0...90 dB	0...99.9 dB	0...120 dB
Attenuation steps	10 dB	0.1 dB	10 dB
Precision	+/- 0.3 dB to 1 kHz +/- 1.0 dB to 1 GHz	+/- 0.1 dB for the 0.1 dB and 1 dB decades +/- 0.1 dB to 10-50 dB +/- 0.15 dB to 50-80 dB +/- 0.2 dB to 80-90 dB	+/- 0.3 dB to 1 kHz +/- 1.5 dB to 500 MHz, 90 dB +/- 3.0 dB to 500 MHz, 120 dB

Data Category	TT-4138/B	TT-4139/B	TT-4132/C
Frequency range	DC... 1.3 GHz	DC... 1 GHz	DC... 2.5 GHz
Surge impedance	50 ohm	50 ohm	50 ohm
Attenuation range	0...140 dB	0...129.9 dB	0...60 dB
Attenuation steps	1 dB	0.1 dB	10 dB
Precision	+/- 1 dB to 1.3 GHz, 90 dB +/- 2 dB to 1.3 GHz, 120 dB +/- 3 dB to 1.2 GHz, 140 dB	for the 0.1 dB decade, +/- 0.1 dB to 1 kHz +/- 0.35 dB to 1 GHz for the 10 dB decade, +/- 0.3 dB to 1 kHz +/- 1.5 dB to 1 GHz, 90 dB +/- 3.0 dB to 1 GHz, 120 dB	+/- 0.5 dB to 20 dB +/- 2.0% to 60 dB

Gyorgy Sasdi:

I was born in 1949 in Budapest. I earned a diploma in 1971 at the Kalman Kando Electric Industry Technical College. For 2 years after that I dealt with the development of electronic geodetic instruments at the Hungarian Optical Works and then worked as a scientific colleague at the Instrument Industry Research Institute. Here I primarily designed automatic measurement systems and microwave attenuators. Since 1981, with the formation of the small undertaking forms, I have developed a family of microwave attenuators for the TELMES Instrument Manufacturing Cooperative.

Istvan Haraszti:

I was born in 1951 in Budapest. I received an electrical engineering diploma in 1974 at the Budapest Technical University. After finishing the university I worked in the Instrument Industry Research Institute as a scientific colleague where I dealt primarily with the development of microwave attenuators for automatic measurement systems. In recent years I have worked for various small undertakings, developing electronic instruments. One of the chief areas within this was further development of the high frequency attenuator family for the TELMES Instrument Manufacturing Cooperative. I am married and have four children. In my free time I like to listen to music.

8984
CSO: 2502/9

U 400 EBM 8 BIT PARALLEL MULTIPLIER

Budapest MAGYAR ELEKTRONIKA in Hungarian No 2, 1985 pp 45-49

[Article by Tibor Tuzson and Janos Erdelyi: "U 400 EBM 8 Bit Parallel Multiplier"]

[Excerpts] Even if only by a few days, our multiplier is the first operating U 400 circuit type. We feel that it is the first domestic step toward two great areas characterizing the microelectronics of the future--very large scale integration (VLSI) in the area of design and using the power of digital signal processing in applications.

Results

The first samples of the U 400 EBM have been made and they operate properly. The parametric measurements prove the correctness of the estimate in regard to speed; the time to execute an operation is around 1 microsecond. This means two very important things: the preliminary speed data can be met safely even taking the technological spread into consideration, and using options one can specify a fast version at a speed of 1 microsecond.

The regularity of the structure makes possible an exceptionally high 75 percent utilization of the U 400. Loading is almost even. Coupled with simple testing possibilities these properties make the circuit suitable for playing the role of an output measurement diagram during manufacture.

Applications Possibilities

The multiplier is a device which can be used generally in the area of signal processing and computer technology. Encouraging tests are being made with it to replace imported devices in the digital filter of a 2,400 bit per second duplex modem.

Possible Further Steps

A single supply voltage version of the U 400 with an increased number of elements, the UA 420, is now under development at the MEV [Microelectronics Enterprise]. The unchanged basic cell makes possible simple redesign of the layout of the multiplier for the new model. Using the two terminals freed (at the +12 V and -5 V locations) and the extra cells, the circuit can be supplemented with input stores, which thus can be connected directly to the 8 bit bidirectional data bus.

Development of an entirely unique multiplier has begun also. One can achieve much greater element density than that of a gate network with the same technology; it becomes possible to increase speed by optimizing both the algorithm and the circuit subassemblies. The 16 bit multiplier accumulator figuring in the plans will contain a structure which is new in principle and not thus far known, resulting in operation faster by 30-40 percent. According to the results of a simulation, the time to execute an operation will be less than 500 nanoseconds. The results will be reported later.

Tibor Tuzson:

I was born in 1947 in Kolozsvar [Cluj]. I graduated from the Bucharest Technical University in 1970. At present I am design engineer for BOAK's [equipment oriented circuits] at the Microelectronics Enterprise. My chief area of interest is digital signal processing and devices for it; I am the author or co-author of a number of engineer further training lectures and notes on the subject and have participated, as speaker, at a number of Hungarian and foreign conferences. My most recent work is a dictionary titled "Electronics and Its Background Areas; A Collection of English Abbreviations and Acronyms." I am now preparing to earn a doctorate and thus have little free time.

Janos Erdelyi:

I was born in Budapest in 1957. I graduated from the Electrical Engineering School of the Budapest Technical University in 1981, in the technical physics branch. Following this I took part in 2 years of day special engineer training, one of the products of this period was the U 400 EBM. I work at the Communications Engineering Cooperative as an IC design engineer. I am unmarried and fill my little free time primarily with reading and listening to music.

8984
CSO: 2502/9

SOCIOLOGICAL BACKGROUND OF NATIONALIST EVENTS IN SPLIT

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 26 Nov 85 p 3

[Article by Viktor Meier: "Yugoslav Communists Embarrassed by 'Their Split'--Belgrade Sees Organized Provocations Back of the Excesses of Hajduk Fans"]

[Text] Split, 25 Nov--The cathedral of Split, consecrated to the local patron saint, St Dujam, used to be the mausoleum of Emperor Diocletian. Displayed not far from it, in the baptistry, is one of the first works of art of the Slavs, who immigrated later, a stone tablet portraying figures in the primitive style. In the cathedral itself one can trace the development of the Venetian style from Gothic to Renaissance to Baroque. Finally, as a testimony to modern art, there is a bronze figure in the baptistry by Ivan Mestrovic, the great Croatian sculptor who once had a house in Split but then settled in the United States after World War II. There are not many European towns which like Split can point to such unbroken continuity.

Proletarian Course

In other respects too, visitors to Split are told, the town is something special among the towns of Yugoslavia: it is a precursor of trends.

It is here, the capital of Dalmatia, that political "Yugoslavism" developed, one is told, and from here Trumbic, after the state had been founded, attempted to inject his Dalmatian liberalism into the crude concept of Serbian hegemonism. Finally, communists speak of a "Red Split" because, they say, already before the war there existed here, though never in the majority, a strong proleterian communist-oriented nucleus of workers and small farmers living in the town. In the war itself, when Split was not only occupied but annexed by Italy, the partisans gained a great number of supporters in the town and its environs, primarily because of their all-Yugoslav orientation.

Today the Yugoslav communists suddenly face "their" Split with embarrassment. The "enemy," the local people in power say, "inflicted a blow" and achieved deep "penetration" of the town. On 20 October, after a soccer game between Hajduk of Split and Red Star of Belgrade there occurred excesses both against fans from Belgrade and against cadets of the naval academy. These were only high points of a whole series of "provocations." Police arrested 19 youths, of whom 10 shortly thereafter were turned over to the juvenile courts. Though it was a small catch, party officials speak darkly of "organizing" and "remote control."

They say that Split apparently was chosen as the first objective to be attacked by the united forces of fascism, clerical nationalism, bourgeois rightists and anarchist leftists in order to abolish the achievements of socialism in Yugoslavia. This situation, it is asserted further, has to be viewed in a context with the "general reactionary trend in the world." In other words, a direct line was running from Reagan via Mrs Thatcher to the Hajduk fans who voiced their "hostile slogans."

This is serious and probably somewhat exaggerated language. But it testifies to the nervousness and helplessness of a regime which increasingly is governing without any luck. It is true, though, that in Split some social and political phenomena are apparent which are not--or not yet--so clearly evident in other parts of Yugoslavia. The town has a population of about 250,000 today, compared with 50,000 before the war. Except for a shipyard, a vinyl factory and a plastic factory, there are no important industries. With 10,000 registered unemployed, unemployment, particularly among youths, is above the Yugoslav average. In addition, Split is a regional center of schools, with a large number of college students and a still larger number of high school students.

New Catholic Arrivals

Of particular importance is the national structure of new arrivals. In contrast with other Dalmatian towns with an oftentimes Serbian or at least mixed hinterland, from the "zagorje" around Split--that is, from the land back of the coast--predominantly migrants who are highly Croatian oriented and strict Catholics came to Split. These settled in part in "wild" housing and in part in inexpensive apartment developments around the old town, representing above all the lower workers stratum.

From this suburban belt came the Hajduk fans who, half in fun and half in earnest, sounded their battle cry "Isus i Marija--Hajdukova Armija." Serious investigations are being conducted in Yugoslavia today into why in many places of the country the process of social identification and integration takes place first via a soccer club. Split, one hears people say, while traditionally "cosmopolitan," does not open up toward newcomers, and it is the soccer club which first becomes available to these as a vehicle. But in a 1-party state it is also less dangerous to tie one's national, political and religious feelings to "one's" soccer team than to express them in a direct manner.

Unsuitable Slogans

For the Hajduk club, whose well-equipped business premises lie right under the elegant oval grounds of the stadium, this is hardly a pleasant matter. Founded as early as 1911 under this name (which means something between freedom fighter and marauder, but always courageous), seven times Yugoslav champion (twice before the war), and also seven times winner of the Cup, Hajduk is described by its people as having always abided by a patriotic Yugoslav tradition, corresponding to the basic attitude of the no longer existing old Split. That has been proved during the war, when the club, rather than play for Italy, joined the partisans in a body. The players had then been transferred to southern Italy via Tito's island of Vis. There the club had been newly formed. Incidentally, they say at the club, Hajduk has to play soccer, and there is nothing it can do about it if "individual" fans shout unsuitable slogans or do not behave properly. Hajduk wished to preserve its good name and also the name of its town, of which it frequently was a symbol abroad.

The increasing confrontations in Split are also due to the arrival of other newcomers, however. Owing to the mild climate, numerous retired officers, police and other officials have settled in Split. The SUBNOR veterans association is particularly strong in Split, and since the old gentlemen, we were told, have nothing else to do, they get worked up over anything, make a mountain out of a molehill and thus contribute substantially to the radicalization of the atmosphere. The pressure by the veteran partisans was seducing the authorities and police into exaggerated reactions, and if the "Dalmatian temperament" was added to this, the entanglements became virtually insolvable. It is being admitted that before the incidents of 20 October the police repeatedly displayed unwarranted brutality in the stadium. The "provocations" thus had come from both sides.

Nevertheless the alarmed regime is looking for the "enemy" in other camps. As is often the case, religion and the church become targets in Split as well. Party sociologist Vuskovic, in the local paper SLOBODAN DALMACIJA, reaches what he calls "frightening" conclusions. He states that 52 percent of the children of Split regard themselves as "religious," and of these, 78 percent are workers' children. The party was losing the working class. In 1968, 33 percent of the children had described themselves as "religious." Particularly serious, however, was the increase in the number of "very religious"--in other words, "militantly" religious--youths from 9 percent in 1968 to 22 percent now. This category, says Vuskovic, represents "militant anticommunism"; in it nationalism is most pronounced, and it reflects the "antisocialist alternative."

Doubts in 'Victory'

These are in fact significant realizations. Though Professor Vuskovic does not call straight for police, he calls for "political action." The party, he says, is doing little while 600 priests, members of orders, and sisters are active in behalf of the church around the clock in the Split area. "As communists we have given up fighting for people," he says, and adds: "As we are organized now, I doubt we will win this struggle."

8790/12859
CSO: 2300/85

END

JPRS-EER-86-006

16 January 1986

East Europe Report

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS-EER-86-006

16 January 1986

EAST EUROPE REPORT

CONTENTS

AGRICULTURE

BULGARIA

Fall Crops Endangered by Drought; Irrigation Urged
(KOOPERATIVNO SELO, 1 Nov 85)............................ 1

- Fall Irrigation Needs Outlined 1
- Report From Silistra 1
- Irrigation Continues 2
- Difficulties Outlined 2
- Dealing With Weather 3
- Alarming Situation for Potatoes 4

ECONOMY

CZECHOSLOVAKIA

Pricing Policy for Next Five-Year Plan Discussed
(Vlastimil Bouda; HOSPODARSKE NOVINY, No 38, 1985)....... 5

GERMAN DEMOCRATIC REPUBLIC

FRG Document Studies GDR Revaluation of Fixed Assets
(Kurt Erdmann; FS ANALYSEN, No 4, 1984).................. 15

HUNGARY

Finance Official on Plans for Personal Income Tax
(Laszlo Bekesi Interview; FIGYELO, No 45, 7 Nov 85)...... 59

Consequences of No Income Tax Noted
(FIGYELO, No 45, 7 Nov 85) 64

Export of Roller Bearings To Increase
(Istvan Garamvolgyi; FIGYELO, No 45, 7 Nov 85) 66

POLAND

Workers Polled on Labor Productivity
(Krystyna Sonntag; ZYCIE WARSZAWY, 30 Oct 85) 69

Case Study on Worker Partnerships Explored
(Krystyna Gosiorowska; ZYCIE WARSZAWY, 30 Oct 85) 72

MILITARY

GERMAN DEMOCRATIC REPUBLIC

Basic Paratroop Equipment Described
(Spickereit; AR-ARMEERUNDSCHAU, No 10, Oct 85) 76

POLITICS

CZECHOSLOVAKIA

Patriotism Equated With Revolutionary Zeal
(RUDE PRAVO, 28 Sep 85) 78

Good Nutrition Not Always Available
(HALO SOBOTA, 28 Sep 85) 81

GERMAN DEMOCRATIC REPUBLIC

SED Organ Details, Interprets Berlin's 750 Year History
(Ernst Diehl; NEUES DEUTSCHLAND, 14-15 Dec 85) 83

POLAND

Walesa Says Government Will Negotiate Eventually
(Lech Walesa Interview; JOURNAL DE GENEVE, 2-3 Nov 85) ... 124

Readers React to Gorbachev's TIME Interview
(TRYBUNA LUDU, 6-8 Sep 85) 128

Reader Praises Gorbachev, by Zbigniew Spychala 128
USSR Viewed as Major Peacekeeper, by Krystyna Krzeminska 129

Reader Bemoans Caliber of Pre-10th Congress Debate
(Jerzy Jagielski; NOWE DROGI, No 10, Oct 85)............. 131

PRON Forum on Catholic Socio-Political Responsibility
(ZYCIE WARSZAWY, 5 Sep 85)............................ 134

Two Views of PRON Discussion Meeting
(ZYCIE WARSZAWY, 2 Oct 85; RZECZPOSPOLITA, 2 Oct 85)..... 135

Social Survey Quoted by Gebethner 135
Citizen's Relationship to State, System 136

Highlights From 'DZIENNIK USTAW'
(RZECZPOSPOLITA, 21 Oct 85)............................ 137

Trade Activities Noted
(ZYCIE WARSZAWY, 7 Oct 85; TRYBUNA LUDU, 7 Oct 85)....... 138

Gdansk Area Unionists Meet 138
Unionists' Three-Year Plan Discussed 138
OPZZ Chapters Oppose Union Federation, by Jaroslaw Karczewski 139

First Political Poster Symposium Focuses on Nuclear Issues
(TRYBUNA LUDU, 15 Oct 85)............................... 141

School's Ideological Role Noted by Bloc Education Ministers
(RZECZPOSPOLITA, 24 Oct 85)............................. 142

Student Socio-Political Awareness
(Adam Pawlak; NOWE DROGI, Oct 85)....................... 143

Student Organizations, Affiliations Highlighted
(Antoni Dragan; NOWE DROGI, No 10, Oct 85).............. 145

Appearance of Warsaw's Victory Square Criticized
(Pawel Wojcik; ITD, 1 Sep 85)........................... 150

Leftist Intellectuals Rebuked
(Piotr Gadzinowski; ITD, 1 Sep 85)...................... 151

OPZZ Invites WFTU Leadership for Visit
(ZYCIE WARSZAWY, 3 Sep 85).............................. 152

Provincial PZPR Plenum in Bydgoszcz
(RZECZPOSPOLITA, 5 Sep 85).............................. 153

Briefs

Church Construction vs Public Services 154
Media Style Criticized 154
Sejm Delegates Contact With Voters 154
Politics and Culture 155
Qualification of 'Authorities' Questioned 155
Today's Workers Lack Enthusiasm 155

SCIENCE AND TECHNOLOGY

POLAND

PZPR Counts on Political Support of S & T Associations
(Jacek Raciborski; NOWE DROGI, No 10, Oct 85)............ 156

FALL CROPS ENDANGERED BY DROUGHT; IRRIGATION URGED

Fall Irrigation Needs Outlined

Sofia KOOPERATIVNO SELO in Bulgarian 1 Nov 85 p 1

[Article: "Water for the Fall Crops!"]

[Text] The Task: By 20 November the nation must have 800,000 decares of fall crops irrigated. During the fall it is necessary that 1.2 million decares of land retain their moisture.

The Fulfillment: Work has begun well in the Plovdiv, Ruse, and Pazardzhik Okrugs. When will they begin to irrigate according to their capabilities in the Shumen, Yambol, Vidin, Mikhaylovgrad, and Pleven Okrugs?

Report From Silistra

Sofia KOOPERATIVNO SELO in Bulgarian 1 Nov 85 p 1

[Article: "Unceasing Labor"]

[Text] It is already November, but the intensiveness in the fields has not calmed down. Despite the extremely strong drought, the mechanized detachments have carried out their basic processing of more than 530,000 decares.

Securing fodder for the animals continues. By now 10,000 tons of cornstalks have been baled. Preparation of meal from tobacco stalks has begun. The agroindustrial complexes in Dulovo and Ishirkovo have already secured 160 tons of meal. The Dulovo workers are ahead.

The harvest of grapes is still going on. Auxiliary brigades composed of employees ...continue to harvest grapes in Aydimir and Kalipetrovo. The viticulturalists from the okrug will greet the 7th November with their plan fulfilled.

Irrigation Continues

Sofia KOOPERATIVNO SELO in Bulgarian 1 Nov 85 p 1

[Article: "The Irrigation Season Continues"]

[Text] The experience of farmers from the Plovdiv okrug categorically refutes the opinion that irrigating the grain carries risks. One fact: during this dry year in the okrug, a normal harvest of fall crops was obtained, thanks only to water.

Even during sowing, the leadership of the agroindustrial complexes noted concrete measures for making things ready to irrigate fall crops. The plans elaborated by the Okrug Agroindustrial Union and the Vodno Stopanstvo (SEP) showed that 100,000 decares of sowed crops were furnished with water. For the exchange of opinion, a demonstration of various ways of irrigation was organized. The advantages of sprinkling were pointed out, without excluding the other ways.

How did the work begin? Since the water sources, wells and scare water from the Maritsa, Stryama, Chaya, and Vucha, did not permit much, at the beginning efforts were extended across a broad front. By the middle of October, water was beginning to be sent to 2,500 decares. Now all the reserves have been tapped. No matter where you stop, you will see pulsing DDA 100M's, long-stream R-90 S's in action, as well as PDI 20 K Maritsas with their spraying installations...

The irrigation season continues! Only the sprinkling aggregates that were not maintained during the long summer battle had to be in the repair shop for a short time. Now they are again on the front lines, together with the machines that quickly irrigated peppers, turnips, and alfalfa. No one talks about rain, instead they rely on the possibilities of technology and the skills of the agricultural workers to be fully utilized to replace the rain.

At the Okrug Agroindustrial union they are now developing a new schedule for increasing the pace. There is no doubt that 100,000 decares of fall crops will be irrigated by 15 November!

Difficulties Outlined

Sofia KOOPERATIVNO SELO in Bulgarian 1 Nov 85 p 1

[Article: "Very Many Difficulties"]

[Text] There is no rain. The seeds do not sprout. There is only one way out: to irrigate. This is easy to say but difficult to carry out. Why? Since the middle of October specialists from the Vodno Stopanstvo (SEP) and agroindustrial complexes have been developing a daily schedule for irrigating wheat and barley. Here we should point out that irrigation takes place mainly through using water from the Danube, the reservoirs have dried up. But the Danube water can only go to part of the fall crops at agroindustrial complexes in Vidin, Bregovo, Dunavtsi, and the (LVK) in Novo Selo.

The farmers from the agroindustrial complex in Vidin have taken this task most to heart. And from the very beginning they have encountered extreme difficulties. The regimen for supply of electric power has not been maintained. Sometimes the current is on for 2 hours, at other times for five or six. Organization breaks down, the piping system is damaged, along with the pumping stations and installations. Today, for example, at the Kapitanovtsi 3 irrigation field, the main pressure pipe stopped working. For a long time the okrug leadership has been insisting that additional electric power be furnished. But even today this question has not been resolved.

I will point out another reason. The weather is cool. People do not want to irrigate because no matter how much they try to protect themselves they cannot keep dry. They need appropriate clothing.

I cannot pass over another fact in silence. The two leaders of the agroindustrial complex who cherish the hope that the rain will finally come are not alone. Valuable time is lost and machines are idle.

Will there be irrigation in the Vidin Okrug? There will be irrigation only if problems are resolved quickly. And there are so many of them.

Dealing With Weather

Sofia KOOPERATIVNO SELO in Bulgarian 1 Nov 85 p 1

[Text] The fall sowing is completed, but in most of the nation's rayons, the moisture in the soil is insufficient for the seeds to sprout appropriately.

That is also how it was last fall. Then only those with the most foresight irrigated certain areas for sprouting and obtained a good harvest from that sowing.

Guided by their own experience, people in the Plovdiv Okrug are not waiting for orders from above now, they are utilizing even the slightest possibility for irrigating the fall crops. Over 50,000 decares have already been irrigated, i.e., one third of the fall crops irrigated in the entire country. But the okrug's water sources are quite limited now. Not a drop of water is coming from great waterfalls, but the pumps at deep wells are working day and night, as are pumps at dammed-up places on even the smallest rivers.

This organization has been created at the Scientific Production Combine in Knezha, and more than 10,000 decares have already been irrigated. According to the estimate of the specialists from the National Agroindustrial Union, given the conditions this year in regard to the water balance in the nation, there is a real possibility for irrigating at least 800,000 decares of fall crops for sprouting. By 30 October around 150,000 decares had been. Is it really possible that the possibilities for the Mikhaylovgrad Okrug are 2,100 decares but for Vidin 1,700?! The Danube's water flows calmly to the sea, and in the okrugs around this river they do not use it. The lowest flow of the Maritsa is now over 20 cubic meters per second, but the agroindustrial complexes in the rayon are waiting for rain to help the fall crops to sprout.

It is the same in the river valleys of the Struma, Vit, Tundzha, and many others.

This is truly amazing, and there is no explanation for the inactivity!

There are workers now in the villages, the irrigation equipment is available, all we need is for the leadership of the Okrug Agroindustrial Union and the agroindustrial complexes to soberly evaluate the alarming conditions and create the necessary organization for utilizing all the possibilities for irrigation.

But these are not the summer months right now. The irrigators need appropriate clothing, to have warm food brought to the field, to have additional moral and material stimuli worked out in advance.

Right now we have to create the organization for using free-flowing water for maintaining moisture at long-standing planting areas, for alfalfa, in meadows, and pastures.

No matter what the precipitation will be during the winter and spring, the water deficit in 1986 will be a large one. This compels us to use each drop of water in the most careful way, to introduce structural changes in the crops in the irrigated areas, to obtain the maximal effect with the minimal use of water.

The caprices of nature continue to make difficulties for us. Our farmers have often demonstrated that they know how to deal with difficulties. This is how it should be now.

Alarming Situation For Potatoes

Sofia **KOOPERATIVNO SELO** in Bulgarian 1 Nov 85 p 1

[Text] The farmers at half of the agroindustrial complexes in the Blagoevgrad Okrug have already harvested potatoes. Despite the fact that work has been speeded up in recent days, there is still some production from the fields of the agroindustrial complexes in Razlog, Khadzhidimovo, and Gurmen. Can the drought be the only reason for this delay?

Dissatisfaction is also caused by the fact that one third of the harvested production is piled up in the farm yards. This produce should have long ago been delivered to the warehouses of the corresponding purchasing organizations. Is the drought to blame for this situation?

12334/9435
CSO: 2200/37

PRICING POLICY FOR NEXT FIVE-YEAR PLAN DISCUSSED

Prague HOSPODARSKE NOVINY in Czech No 38, 1985 pp 1,4

[Article by Eng Vlastimil Bouda, ScC, first deputy minister, Federal Price Bureau: "Prices in the New Five-Year Plan: Balance and Mutual Support of Economic Mechanisms"]

[Text] It is axiomatic that the tasks of every 5-year plan are more demanding than those of the preceding 5-year plan. That is a natural process. Production continues to progress, mutual economic relations are becoming increasingly complex. This follows from the very essence of the socialist social system. Continuous full employment and systematically rising total incomes (albeit differentiated between individual strata of the population) are the principle source for the growth of the material aspect of the living standard, for its upgrading in terms of the structure of the satisfaction of people's needs and thus, also for consolidation of social welfare of all citizens.

It suffices to go back 30 years, to 1954, which was the first whole year after the monetary reform of May 1953, i.e., already in current market relations. In 1954 the income of our population amounted to a total of Kcs 89.9 billion; before 1984 it increased to Kcs 403.7 billion, i.e., 349 percent, of which more than 75 percent were directed to the retail network and services. This growth of incomes may offer some idea of the complex task that must be resolved by our highest party and state authorities so that our production may meet such rapidly rising demands of our domestic market. For the sake of completeness I should like to mention that according to the observations of the Federal Bureau of Statistics, retail prices have risen over the same 30-year period by 17.9 percent, i.e., on the average less than 0.6 percent annually.

I want to offer these figures to give a closer idea of the logic of the directives for the Eighth 5-year Plan, which stipulate that our national income be increased by at least 3.5 percent, otherwise the tasks pertaining to the living standard cannot be fulfilled. Last year's achievements as well as the tasks of the plan for 1985, including its fulfillment in the first half of the year under adverse weather conditions early in the year, have confirmed that this task is realistic. It is not only an economic necessity but above all an objective political task which confirms the well known thesis that politics is a condensed expression of economics.

The achievement of the stipulated semiannual increment of NI goes hand in hand with the requirement of the best possible economy with all material and energy resources and their most efficient utilization in the production of goods of top technical and economic parameters and quality. Expressed in economic figures, that means the greatest possible reduction of funds planned for the needs of organizations, and the highest possible rate of outputs and profitmaking. Prices play an important role in the fulfillment of those tasks.

Mutual Negation...

This involves finances, prices, material incentives, credits, interest rate of exchange, etc, as an important mechanism of planned national economic management. Complex economic conditions of the Seventh 5-year Plan confirmed convincingly the expedience of the application of direct mechanisms of management -- for example, volume limits on the consumption of selected resources -- as well as the importance of well-planned application of economic mechanisms and their interrelation. I see an absolutely indispensable method precisely in interrelations of economic mechanisms and their coordination resulting in the reinforcement of one mechanism by another and precluding any potential negation of positive objective by poorly planned measures in another area.

The directives for the Eighth 5-Year Plan stipulated minimum needs and a high rate of growth of outputs and profits. At present 23 to 28 percent of profits would suffice to cover such needs. What should be done with surplus assets? They cannot be left in economic organizations because -- as the managers of branches and departments as well as of the VHJ's [economic production units] and enterprises fully realize -- they would generate a negative effect due to efforts to use them for nonessentials in contradiction to the planned needs.

This problem may be further compounded by such measures as, for instance, the decision to leave depreciations to organizations, which is in direct contradiction to the tax on profits. Why? If the enterprise wants to earn one Kcs for itself, it must produce Kcs 4 in profits (with 75 percent tax). However, every Kcs 1 in depreciations is left entirely at the disposal of the enterprise, however, it creates additional full resources from depreciations, even though it does not make adequate use of capital assets and its coefficient of utilization is declining. Therefore, it is in order to question whether such an approach to depreciations is in agreement with the task of profits. The answer is clear: it is not, because profit is not only an important indicator of the level of management of the enterprise, but also a realistic financial resources of socialist society. Therefore, the interest in profit-making cannot be blunted by easier acquisition of funds, for example, by means of depreciations. This being the case, the Ministry of Finances could not ensure the planned balance between resources and needs in any other way but by introducing in 1985 the so called supplemental payments to the state budget. However, such approaches do not help increase pressure on intensification and efficiency.

[Mutual Negation] ... Should Not Be Repeated

When stipulating the procedures for the Eighth 5-year Plan, it is therefore necessary to prevent a situation where the application of one mechanism may positively affect a specifically planned objective, but at the same time negate -- albeit inadvertently -- other market relations to the disadvantage of the comprehensive development of our national economy. When the State Planning Commission, the Federal Ministry of Finances, the Federal Price Bureau as well as the Czechoslovak State Bank and the Federal Ministry of Foreign Trade jointly assessed the efficiency of individual economic mechanisms, they reached the unqualified conclusion that in terms of national economy reduction of wholesale prices of finished products is the most effective mechanism which within the conditions stipulated by the Directive for the Eighth 5-Year Plan also fulfills the function of keeping the resources and the needs in balance.

Procedures in every other area must be subordinated to this conclusion. It may be presumed that after two unusual price explosions in the first half and toward the end of the 1970's the projected relatively stable price level of raw materials, fuels and power in world markets will contribute toward this end.

Why is it precisely the cut of wholesale prices of final products that is so decisive in the area of economic mechanisms in the Eighth 5-Year Plan? It is mainly because it is absolutely necessary to use prices to press for reduction of production costs, for more economical conversion of raw materials, supplies, fuels and energy into products of top technical and economic parameters, and for highly reliable operations and services; in simple words, to produce goods of the best quality, which are fully competitive in world markets.

We are a small country with highly developed industry, construction, agriculture and other branches of national economy. We earn more than one-third of our national income from foreign trade and this share will continue to increase. In the forefront is labor productivity -- not only labor value added, but also social productivity of labor (measured by production costs), including the volume of such values as production assets and supplies used in the process of replacement.

Moreover, reduction of wholesale prices will stimulate the natural needs of economic organizations to seek a solution to the needs of their subdivisions, such as planned accumulation of the economic incentive fund, a far more decisive focus on R&D, and accelerated renewal of the replacement process on a qualitatively higher technical and economic level. The imperative of high quality must always remain in the forefront of our efforts because it is the most comprehensive expression of all progressive values of the product. And precisely top quality of goods must earn countries such as ours their reputation and trust in the world as well as a place in world markets for well-planned selected lines of products. By the same token, pressures of prices on production costs and quality must play an important role.

Priority must be given to every possible cost reduction which must not be burdened with other simplistic and unjustified interests. Here I refer, for instance, to contributions to social security.

In the next 5-year plan it will rise from 20 to 25 percent. The Federal Price Bureau has already approved it with certain reservations. Nonetheless, I want to go back to it. There is still time to think over carefully such a step from the viewpoint of national economy, and to analyze it. It is fallacious to think that by raising this contribution it will be easier to replace workers in the production process with technology by making manpower "more expensive." Detailed calculations made in this connection in the past have shown that higher costs of the contribution to social security will be included in the end in the cost of technology, and thus, negate the original intention. In our situation the 20 percent contribution is not low. In the USSR this contribution is under 15 percent and the share of wages payable per employee is lower than in our country.

If I recommend that the plan to raise the rate of this contribution be reconsidered, I proceed from the experience gained in a similar area of economic practice. When taxes on capital assets were introduced some years ago, it was emphasized that every enterprise should carefully weigh whether it would be able to purchase capital assets, and calculate whether it would be able to earn enough to pay any taxes at all.

Nevertheless, experience has shown that this -- otherwise logical -- precondition remained unfulfilled and therefore, this particular tax was revoked several years ago, although utilization of capital assets was generally declining. Would not a similar fate befall also higher social security rates that draw off resources for higher cuts of wholesale prices, which is on the whole more effective for our national economy?

The possibility of paring down production costs should always have preference before other measures. [Reduction of production costs] is the source for reduction of wholesale prices with every positive consequence in relation to foreign prices earned for exports (FOB prices), to the expansion of the space between wholesale and retail prices, to procurement prices in agriculture, to the exchange area for obtaining better value in world currencies for our Kcs, etc.

To Reduce Prices Gradually

The first small step was taken for the first year of the Eighth 5-Year Plan beginning on 1 January 1986. By an agreement with the State Planning Commission, a large amount of works at the conclusion of the 5-year plan was taken into consideration. The Presidium of the CPCZ Central Committee and the federal government approved cuts of wholesale prices by a total of Kcs 6.9 billion in selected branches, mainly engineering enterprises, including electronics and high-current engineering. In terms of all of our national economy, it is a slight reduction, representing no more than 0.4 percent. Nevertheless, its positive aspect is the fact that goods designated for export from our entire national economy were cut by a full one percent.

In the Seventh 5-Year Plan foreign and domestic economic conditions demanded that the developing situation be resolved by adjustments of wholesale prices at their input in the process of replacement. The conceptual orientation of the Directive for the Eighth 5-year Plan makes possible continuous actualization of wholesale prices form 1986 through 1990, however, the approach is reversed in such a way that the overall level of wholesale prices is lowered in the output of the process of replacement. This situation remains unchanged by the fact that the projected growth of costs of procurement designed for our domestic production, envisaged in the Directive, will generate a similar reaction to such a development in wholesale prices as well, for example, by their proportional, gradual increase in individual years, without being projected in the prices of the subsequent production.

Continuous actualization should again proceed gradually in individual years. Apprehensions -- mainly of the administrative kind -- should be faced mainly by preparing at last plans in the new prices, as stipulated back in 1983 by the decision of our government. Price changes would be more effective and expeditious, because as a matter of fact the preparations and approval of the plans in the old prices and their subsequent conversion to the new prices delay their full economic impact by one year.

The approaches after 1986 depend to a major degree on the time when the projection of tasks stiuplated by the Directive for the Eighth 5-year Plan is projected for specific 5-year plans for individual branches, their VHJs and organizations. The approach to wholesale prices must be based above all on the approved plan for reduction of production costs and on the plan for profits. In mid-August there was a shortfall in the plans of the branches amounting to about Kcs 100 billion as compared with the task of the directive on profits; the stipulated 8.5 percent reduction of the share of material costs and the 7.1 percent reduction of total costs were only 70 to 75 percent fulfilled.

We proceed from the premise that we should first of all reexamine the level of wholesale prices of imported goods within central price control in relation to the prognosis of their price development during the Eighth 5-Year Plan, prepared by the Federal Ministry of Finances and the State Planning Commission. On that basis we should adjust wholesale prices so that that be most realistically on the level of the projected development and that they create only the unavoidable surplus for any unforeseen changes in the procurement costs of imports. This should be done as soon as possible; only then other works should follow.

In the first stage we shall focus on reduction of wholesale prices of subdeliveries and of the prices of finished products will follow from them. The deadline at which the State Planning Commission in particular will be able to complete the necessary documentation will determine the date when wholesale prices may be adjusted further and in a more fundamental way. At present work is already under way on comprehensive value and structure transformation of wholesale prices of construction works whose new prices will be applicable in 1988.

We shall compare the procedure in the second half of the Eighth 5-year Plan accelerated fulfillment of economic policies of the CPCZ whose recent congresses and subsequent plenary sessions focused on the intensification of all production factors, an efficient development of our entire national economy, and on high quality of all work. The fulfillment [of these objectives] is the fundamental precondition for the achievement of the tasks stipulated for the semiannual growth of national income, without which the directives for the people's living standard cannot be met.

It is therefore absolutely imperative that the character of material incentives compel manager to

— strive for the highest possible outputs desirable from the point of view of the consumer in our country and abroad, while keeping the inputs at a minimum;

-- systematically check whether the growth of labor value added goes hand in hand with concurrent reduction of material and capital consumption and on the other hand, whether the effect achieved in productivity is not cancelled by excessive and thus inefficient correlation and depreciation of values, particularly underutilized capital assets and supplies in the process of replacement;

-- keep in step with the development in the world in prognostic production programs whose cycles of innovation is systematically decreasing, while technical and economic parameters of new products continue to grow;

-- provide the basis for natural participation of the whole team of workers of the enterprise in advance planning for disclosure of unused assets which the workers know from their daily work, and inclusion of such resources in the plan.

Also with the actual fulfillment of the task specified by the plan.

New conditions for the further development of our national economy, outlined by the Directive for the Eighth 5-Year Plan, demand that were cur the wholesale prices of finished products in general by 3 to 5 percent in 1987-1990, as dictated by the demands of the rate of exchange aimed at consolidation of the value of our currency vis-a-vis world currencies, as well as by the demands of export efficiency calling for the achievement of the highest possible range between lower production costs and higher achieved FOB prices. Pricing experts on every level of management must focus their work more thoroughly above all on correlating production costs and FOB prices; from their position as well as through their superiors they must enforce systematic updating of the standards of material consumption and of the standards of consumption of labor value added, and in general, resume the use of time metering and chronometers. In their daily routine all workers, in particular planners, constructors and technologists must go back to their calculations and systematically check all technical plans for the achieved economic effect.

From the very beginning the Set of Measures devoted considerable attention to effective material incentives offered to managers. In addition to daily managing operations -- from which they never can completely free themselves -- their proper stimulation for conceptual, long-term managing work was observed.

R&D is foremost in the development of the national economy. Managers must create for it a "green wave"; as new goods are being finished, planners, constructors and technologists must already plan new products. That does not concern only R&D which is not the objective of our production.

I could mention other issues, but I am focusing on these basic points of view. My question is whether the premiums method of material incentives to managers meets its purpose. In my opinion, it does not, as confirmed beyond any doubt by the fact that the economic plans submitted by our organizations, VHJs and ministries owe so much to the tasks stipulated by the Directive for the Eighth 5-Year Plan, although the results actually achieved in 1984 and the fulfillment of the planned tasks for 1985 (despite serious unfavorable weather conditions early in the year) prove that the stipulated tasks are realistic. Some managers attributed the unsatisfactory standard of the submitted plans to the inadequate effect of the Set of Measures as a whole. In my view, such opinions are erroneous and I certainly do not share them. The Set of Measures has convincingly proved that we had chosen the right direction. Adjusted value added, on which the accumulation of wages payable "hangs." positively affects the reduction of the share of material costs in total outputs, and curtails the economically unjustified cooperation connected with needless and in terms of national economy, dangerous transfers of goods during their processing between organizations for the sole purpose of fulfilling gross industrial production.

Positive achievements are considerably more numerous, as shown beyond any doubt by processed analyses of efficiency of the Set of Measures, which were comprehensively assessed during the discussions; nevertheless, we must always bear in mind that the mechanism of planned management of national economy is a continuous process; it must be gradually adjusted and complemented according to the standard reached in the social development. The 14th CPCZ Congress stressed already in 1971 that the development and improvement of the planned management system must be a systematic process.

On the basis of this directive and of my own experience over the past five years -- 1981-1985 -- I should like to note that I see a weak spot in the Set of Measures in the method and contents of material incentives granted to managers, i.e.., primarily directors and deputy directors -- regardless of their exact official titles -- from the general directorate through the VHJs and enterprises to the factories.

The rewards of the managers still "hang" on the accumulation of funds from the point of view of the indicator of profitability of operational assets. This indicator may be expressed by a fraction whose coefficient is profit and denominator is the acquisition value of capital asset plus supplies. This is an important synthetic indicator which is nothing else but a reverse value of profitability of capital assets. Everybody can understand the importance of profitability in terms of efficiency of national economy. We should therefore stop and consider whether a more comprehensible term for this important indicator would not help attract more attention to it and thus, render the whole mechanism of planned national economic management more efficient.

Direct Correlation with Wages

Main directions for the further development of the Set of Measures after 1985 envisage single-item creation of funds for wages and rewards, which means cancellation of the accumulation of funds for the incentive wage factor based on profitability of operational assets. This amounted to approximately 20 percent of wages payable. In my opinion, the development in the past has justified it. I see the need for a fundamental change in the application of the fulfillment of planned profitability of operational assets, or returns on operational assets -- rather than accumulation of funds for the manager's rewards -- as the basis for the determination of the amount of rewards.

Every superior agency would always set the rate systematically, in a differentiated way, according to the situation in past years and to realistic projections for future prospects. The rates of payments to managers should continue to serve as a significant mechanism in the hands of superior organizations for each individual year; they should never be set mandatorily for the entire 5-year plan. For instance, thus far the reward has been set at 30 percent; if five mandatory indicators are stipulated, then it gets cut one-fifth for each of the unfulfilled indicators.

In terms of national economy it would be undoubtedly more efficient -- albeit essentially more demanding for the managers -- if the rewards were stipulated in percent of the basic salary for each percent of improvements, for example, of returns on operational assets in the previous year. This rate would be announced at the same time with the stipulation of the main tasks for the plan for next year. If the managers wish to earn the same rewards as in the past year, they would have to analyze carefully how to fulfill the indicators.

The above-mentioned returns represent the sum of the acquisition value of capital asset plus supplies, divided by profits. The main methods of the fulfillment of the indicators would necessarily encourage better utilization of capital assets and eliminate assets which are not indispensable for the process of replacement, which tie up financial resources, spare parts, etc., may be useful somewhere else. The same goes for supplies. What about profits? Our efforts must be focused in particular on profits. How to raise them? By cost-cutting and especially by upgrading the standard of technical-economic parameters reflected in the overall quality of goods with top service properties -- reliability, service life, maintenance, etc -- simply, by focusing on R&D and accelerating the cycle of innovation, without enforcing them so much from above, as it still happens in most cases. The effort for more efficient cooperation between production and foreign trade would be stepped up and the cuts of rewards based on the fulfillment of mandatory indicators would remain the same as now.

Only for approximation I should like to offer the following example: The [period] of returns is 5 years; it is realistic to demand reductions by one half for the 5-year plan, which means on the average 10 percent annually. In that case the general directorate would be informed in the first year that its rate of rewards is set at 3 percent of the basic salary per every 5 percent of accelerated returns on operational assets as compared with actual achievements in the last closed year (in order to offer basic rewards amounting to 30 percent when the directives for the annual plan are fulfilled).

Our experience from the conceptual experiment in four VHJs since 1972 has confirmed that it is important to tie the fulfillment of this indicator to the values incorporated in the plan. That is necessary in particular for systematic interrelation of supplier-consumer relations in the plan. It is therefore desirable to stipulate for this indicator (one of several indicators of the plan) a latitude for its fulfillment, for example, from 98 percent to 102 percent (as in the above-mentioned conceptual experiment which proved successfull). So long as the fulfillment of the indicator, for instance, of the above-mentioned returnability, is in the 98 - 102 percent range of the plan, the basic reward is paid in full -- before discount for any of the unfulfilled indicators. If the fulfillment of the indicator of returnabilty is above 102 percent of the plan, only one half of the basic reward is paid; if it is under 98 percent of the plan, then basic rewards are completely forfeited.

The latitude of the above-mentioned, for example, 4 percent is especially important in this method of rewards granted to managers, because it motivates them to seek as many opportunities as possible and to prepare the highest possible plan without risking the loss of the reward if only 99.9 percent are fulfilled. By the same token, it fulfills an important task in counterplanning as well. It is in the manager's own interest to motivate their team of workers to disclose unused assets of which they know and to use them for the fulfillment of the plan.

There is no doubt that the advantage of this method of rewards to managers would be that, instead of explaining why the required tasks cannot be included in the plan, the managers' knowledge and skills would be focused primarily internally -- within the VHJs, enterprises and plans -- on earning the same rewards as in the past.

***

One may ask: why do I mention here certain suggestions although they have already been determined in certain documents or at least, the method has been outlined; at the same time, the beginning of the 5-year plan is fast approaching. Nevertheless, life itself has confirmed that the mechanism of planned management of national economy is really a process. Many suggestions must always be thoroughly assessed, including the deadline when they should be put in operation, albeit on an experimental basis.

At the 15th session of the CPCZ Central Committee Comrade Gustav Husak emphasized that instant solutions to every problem are not always at hand, but that there are many solutions which could, and must, be applied more expeditiously and vigorously. This concerns in particular better utilization of the current production and R&D potential, better processing and more economical use of capital assets, fuels, energy, raw materials, supplies, stockpiles, work time and worker's skills. In all these directions more demands must be made on every workers, especially on the style and methods of managerial work along the entire axis of management. There is a whole gamut of requirements on further improvement of quality of central management and planning operations and more efficient application of economic mechanisms and market relations, comprehensive solutions of the position and tasks of individual levels of management, upgrading of the management and decision-making skills with understanding of the issues involved.

9004/13068
CSO: 2400/27

ECONOMY GERMAN DEMOCRATIC REPUBLIC

FRG DOCUMENT STUDIES GDR REVALUATION OF FIXED ASSETS

West Berlin FS ANALYSEN in German No 4 (signed to press Dec 84) pp 1-53

[Article by Kurt Erdmann of the (West Berlin) Research Institute for Inner-German Economic and Social Issues. Original title: "The Revaluation of Fixed Assets in the GDR"]

[Text] Contents

Summary

I. Problem

  1. Announcement of the Revaluation of Fixed Assets
  2. Revision of Valuation in GDR Statistics
  3. Greater Intensification Through Improved Valuation

II. Fundamentals

  1. Definition of Fixed Assets and Fixed Asset Accounting
  2. Principles of Depreciation

III. History

  1. Revaluation of Fixed Assets in the 1960's
  2. Valuation Problems in the Late 1960's
  3. Unsolved Valuation Problems in the 1970's
  4. 1983 Revaluation Signals

IV. Attempts at Interpretation

  1. Improvement of Valuation in the 1986-1990 Five-Year Plan
  2. Expectations and Open Questions

Addendum: Announcement of Changes in the Calculation Parameters Concerning the Producer Goods Tax. A New Inventory Regulation

Appendix: Annotations on Fixed Assets in the GDR

Graphs, Illustrations and Tables

Graph: Classification of Means of Production

Illustration: Excerpt (p 223) from: "Alphabetical List of Fixed Asset Depreciation"

Illustration: Excerpt (p 545) from: "Alphabetical List of Fixed Asset Depreciation"

Graph: Outline of Types of Wear

Table 1: Average Stock of GDR Fixed Assets in 1982, Calculated at Comparable Prices of the 1966 and 1980 Price Bases

Graph: Average Stock of GDR Fixed Assets in 1982, Calculated at Comparable Prices

Table 2: Average Stock of GDR Fixed Assets Calculated at Comparable Prices of the 1966 and 1980 Price Bases

Graph: Development of the GDR Economy's Average Fixed Asset Stock During the Period from 1950 to 1982 (in Billion Marks). Comparable Prices--1960 and 1980 Price Bases (1982: 100)

Graph: Average Stock of Fixed Assets in the GDR's Production Sectors (in Billion Marks). Comparable Prices--1966 and 1980 Price Bases

Table 3: Average Stock of Fixed Assets in the GDR's Production Sectors (in Billion Marks). Comparable Prices--1966 and 1980 Price Bases

Table 4: Changes in the Production Sectors' Shares of Average Fixed Assets Calculated at Comparable Prices. 1966 and 1980 Price Bases

Summary

The Revaluation of Fixed Assets in the GDR

On 22 November 1984, during the ninth conference of the Central Committee of the SED, General Secretary Honecker mentioned in his statement of accounts that, among other things, "existing basic means of production will be revalued according to prices effective from 1986 onwards." In the GDR the term "basic means of production" is used for fixed assets excluding land.

Such a move entails a centrally directed program of valuation throughout the GDR economy, comprising all machines, plants and buildings. Their value is to be calculated according to reprocurement prices on a uniform price basis. Problems in this area will arise due to the valuing methods used in the GDR. Machines, plant and buildings are balanced according to their gross value, the price obtaining at the time of acquisition including certain following costs. Higher reprocurement costs are not taken into consideration.

The only previous revaluation of fixed assets took place in the first half of the 1960's, in the course of the industrial price reform of that time. In spring 1984 the GDR Statistical Pocket Book contained for the first time a figure for the average fixed asset stock of the economy according to the 1980 price basis and not the 1966 one. This led to a 45-percent increase in average fixed asset value.

In the 1970's and early 1980's the GDR economic leadership had made several attempts at revaluation. The great difficulties and complications associated with revaluation forced them to back off, the great price distortions notwithstanding.

Fresh information concerning a publication of fixed asset values is lacking. The officially announced intention of publishing a new depreciation index in 1984 is barely thinkable without the participation of combines and enterprises. However, its publication is being delayed. The new official announcement of a fixed asset revaluation "according to 1986 prices" defines the activity up till now as a phase of preparation which could be followed by a more precise comprehensive revaluation in the middle 1980's. Twenty years ago the revaluation took place in connection with an industrial price reform. There are at present no signs of the same thing occurring again.

I. Problem

1. Announcement of a Revaluation of Fixed Assets

In the statement of accounts he delivered at the ninth conference of the SED Central Committee on 22 November 1984, General Secretary Honecker expounded new economic policy guidelines as well as principles of investment policy; in this connection, he stressed the need for increased rationalization investment. "Experience has shown that the most economical investments are those that serve to modernize basic assets."[1]

Regarding the statement following this observation, a preliminary remark is called for. Previously, Honecker had made reference to various resolutions adopted by the SED Politburo in connection with the 1986/1990 five-year plan period. In this context, the statement following the above-quoted remarks on investment problems assumes special significance: "Along these lines, we have taken various measures concerning economic accounting, and the existing basic means of production will be revalued according to the prices effective from 1986 onwards."[2]

The technical term for a new valuation of the basic means of production, the fixed assets or capital stock of combines and enterprises in the GDR is "revaluation." The 1984 edition of "Woerterbuch der Oekonomie. Sozialismus" [Dictionary of Economics. Socialism] states on this subject: "Revision of the fixed assets' gross and net value with the object of effecting a uniform valuation of fixed assets equal in function and capacity and a correct ad valorem reflection of their utility."[3] Even before the above-quoted terse announcement at the ninth conference of the SED Central Committee, changes in GDR statistics had indicated an overall reorientation toward adjustment of fixed asset values.

2. Value Revision in GDR Statistics

The 1984 edition of the GDR Statistical Pocket Book marked a significant change: for the first time in about 20 years, the GDR published the value of its foreign asset stock (machines, installations and buildings, excluding land) according to the 1980 price basis instead of the 1966 basis used so far.[4] An overall statistical changeover to valuation according to the 1980 price basis had been effected 2 years before. The GDR media and trade journals never presented any detailed reports--or even references--concerning the revaluation of fixed assets. In principle, the presentation of new fixed asset values in GDR statistics could be interpreted as the result of an internal, unpublicized revaluation of fixed assets; this is unlikely, however, since the prerequisite conditions did not obtain. Similarly, the figure that Guenter Mittag, the SED Politburo's economic expert, cited at the GDR Economic Conference in the fall of 1983 in regard to fixed asset stock growth per gainfully employed person in 1982[5] is not indicative of any changes in valuation of fixed assets in the GDR.[6] In connection with the revision of GDR statistics, the announcement at the ninth conference of the SED Central Committee--1 year after the 1983 GDR Economic Conference--can be interpreted in various ways.

3. Increased Intensification Through Improved Valuation

In the policy statement he delivered at the SED's 1983 Economic Conference, Politburo member Guenter Mittag demanded--in connection with the 10 main points of the "Economic Strategy for the 1980's" adopted by the 10th SED Congress (1980)--"to take new measures toward the transition to a /comprehensive/ [italics by the author] intensification";[7] subsequently, he emphatically called these measures "qualitatively new steps."[8] The GDR has been using the concept of "intensification" for more than a decade, not just since the late 1970's. As early as 1971, at the Eighth SED Congress, Honecker had defined the term:

"In plain terms, intensification of production means that we increase output by modernizing and more efficiently utilizing the available production plants and buildings, by producing more with the same number of workers."[9]

Essentially, this general formula is comparable to the definition of the socialist thrift principle of the 1950's: "The thrift principle is that method of socialist management that aims to produce the best results with the least expenditure."[10]

Since the first half of the 1970's, the GDR Government's economists had been experimenting with a number of ways of improving the economic system. The post-1978 period in particular was characterized by great activity in regard to economic policy;[11] among other things, the government increased the transparency of both economic and operational accounting so as to improve overall efficiency.

In the 1982 edition of the GDR Statistical Pocket Book, the government for the first time published statistical data on key economic indicators--such as national income and investments--according to the new 1980 price basis. Comparison with the--hitherto prevailing--1975 price basis made it possible to determine the extent of the price revision changes from 1976 to 1980 as well as their consequences for the 1980's, above all a 10-percent drop in the ratio of national income to production expenditure.[12]

The changeover to the 1980 price basis did not include the value of the GDR's "fixed asset stock," i.e. the value of machines, plants and buildings (excluding land). Similarly, statistical revisions undertaken previously--since the late 1960's--had not included the 1966 price basis for the fixed asset stock, all the increased difficulties and inconsistencies notwithstanding. Thus, as regards their significance, the changes made now after 20 years (changes published in the 1984 editions of the Statistical Pocket Book and the GDR Statistical Yearbook) in regard to valuation of the average fixed asset stock according to the 1980 price basis instead of that of 1966 are in accordance with the "qualitative new steps" Mittag mentioned in 1983 in connection with improvement of economic transparency as a condition prerequisite to economic intensification.

II. Fundamentals

1. Definition of Fixed Assets and Fixed Asset Accounting

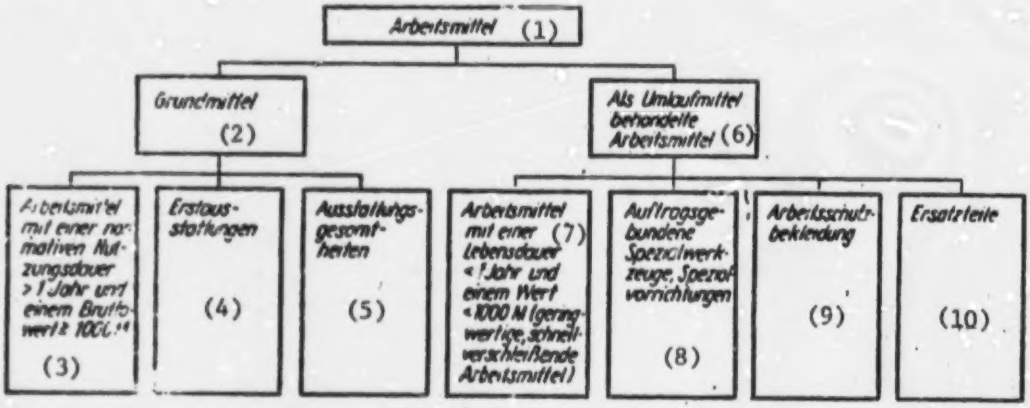
With reference to the current regulations on statistics and accounting, Matterne and Tannhaeuser, two of the GDR's top experts in this field, offer the following definition:

"Fixed assets are means of production whose service life exceeds 1 year; their procurement price justifies entry as assets and successive depreciation and their procurement requires investments."[13]

According to Article 12 of the current Regulations on Accounting and Statistics (1975), the gross value must exceed 1,000 marks.[14] Certain provisions specify the capital goods that are considered "fixed assets" as well as those that are not.[15]

The following graph illustrates the relation of means of production to fixed assets.

Graph. Classification of Means of Production[16]



Arbeitsmittel (1)
Grundmittel (2)
Als Umlaufmittel behandelte Arbeitsmittel (6)
Arbeitsmittel mit einer normativen Nutzungsdauer > 1 Jahr und einem Bruttowert ≥ 1000,- M (3)
Erstausstattungen (4)
Ausstattungsgesamtheiten (5)
Arbeitsmittel mit einer Lebensdauer < 1 Jahr und einem Wert < 1000 M (geringwertige, schnellverschleißende Arbeitsmittel) (7)
Auftragsgebundene Spezialwerkzeuge, Spezialvorrichtungen (8)
Arbeitsschutzbekleidung (9)
Ersatzteile (10)

Key:

1. Means of production
2. Fixed assets
3. Means of production with a service life > one year and a gross value ≥ 1,000 marks
4. Initial equipment
5. Equipment systems
6. Means of production considered as current assets
7. Means of production with a service life < one year and value < 1,000 marks
8. Special tools and equipment
9. Protective clothes
10. Spare parts

The combine's (or combine enterprise's) fixed asset management comprises the following key utilization criteria: Maintenance, modernization, equipment retirement, replacement, and expansion--the extent of which is crucially influenced by fixed asset valuation.

In principle, fixed asset valuation in the planning process (planning, plan implementation, balancing) is effected according to the gross value, and normally this is the procurement price. Valuation according to the reprocurement price is the exception. To a large extent, the makeup of the respective procurement price, which appears in the balance sheet as gross value, is subject to specific regulations.[17] Among other things, these regulations determine what costs are part of the fixed asset procurement price (e.g., costs of assembly, investment preparation, test runs, etc.) and what expenditures cannot by any means be included (e.g., additional investment costs, land use fees, start-up charges, etc.). In a VEB's [state-owned enterprise] annual balance sheet, fixed assets appear as a three-part entry on the assets side: gross value minus wear equals net value. The net value constitutes the fixed capital fund on the balance sheet's liabilities side. In the pertinent GDR literature, the significance of a particular fixed asset valuation, its "key role"--in operational as well as economic terms--is frequently pointed out.[18]

"Correct or incorrect valuation is reflected--via the depreciation rate regulated thereby--not only in the costs, but also in the total volume of economic resources, national income and national property and in the calculation of the total social product, of national income and its constituents."[19]

Matterne and Tannhaeuser take exception to a frequently very inaccurate valuation ("nothing but rough estimates")[20] in connection with the assetizing of capital goods, above all in regard to investment projects whose completion is protracted and thus exceeds 1 plan year.

As regards the pros and cons of the various "types of valuation" (gross or net value, procurement or reprocurement price),[21] the difficulties posed by fluctuating reprocurement prices necessitate--from the GDR's point of view--uniform (gross) valuation according to the procurement price. This approach is supported by a number of official, expediency-oriented arguments that stress the ease of implementation of "uniform" valuation in the accounting and statistics sector and in the necessary fixed asset calculation including fixed asset reporting (e.g., stock, level, utilization).

A key argument is the "mandatory" straight-line depreciation procedure in GDR industry.[22] Aside from a few exceptions, this is the simple principle of applying the same gross value depreciation rates each year. Furthermore, the gross value of the enterprises' fixed assets forms the basis for calculating the important production fund utilization tax--which for the GDR is an advance deduction from gross profit, while from the Western point of view it can be considered interest or tax on capital.[23] The necessity to effect valuation according to a plan price that in the plan calculations remains unchanged over several years (e.g., for an entire five-year plan period) is another GDR argument in favor of gross value.

The fourth supplement (1977) to the official depreciation index of the Central State Administration for Statistics contains a chapter--entitled "Valuation of Fixed Assets"--which lays down the "objective of valuation": "...as accurately as possible to reflect--as part of the total social expenditures--all of the material and economic processes of fixed asset expenditure that are connected with the social reproduction process."[24] According to this chapter, the "crucial significance" of the gross value derives from the following criteria:

"--Assessment basis for the amortizations;
--planning basis for investments, repairs and retirement of equipment;
--assessment basis for indices concerning fixed asset development, condition, economy, and rate of utilization;
--reference basis for the production fund utilization tax;
--indicator of the fixed assets' production capacity."[25]

2. Principles of Depreciation

The service life of machines or plants is prescribed to the combines and enterprises as a "state norm" and is specified in the provisions of the "Index and List of Fixed Asset Depreciation Rates"[26]--an extensive list that lays down (in addition to the nomenclature and registration numbers in accordance with the fixed asset classification) the service life norm (in years), the prescribed rate of shift utilization and the straight-line depreciation rate (in %; see illustrations). In the event of deviations from the shift utilization rate, the regulations stipulate conversions.

The assets named here include not only machines, plants and buildings, but also bridges, streets, etc. (see illustrations).

In principle, the planned service life--and thus also the rate of annual depreciation--had so far been based on the valuation of physical wear. The so-called moral wear, i.e., technical obsolescence, generally had not been taken into consideration. Only in exceptional cases (e.g., unusual weather conditions) had special depreciations been permitted.[27]

Illustration. Excerpt (p 223) from: "Alphabetical List of Fixed Asset Depreciation"

26. Page 223 Led

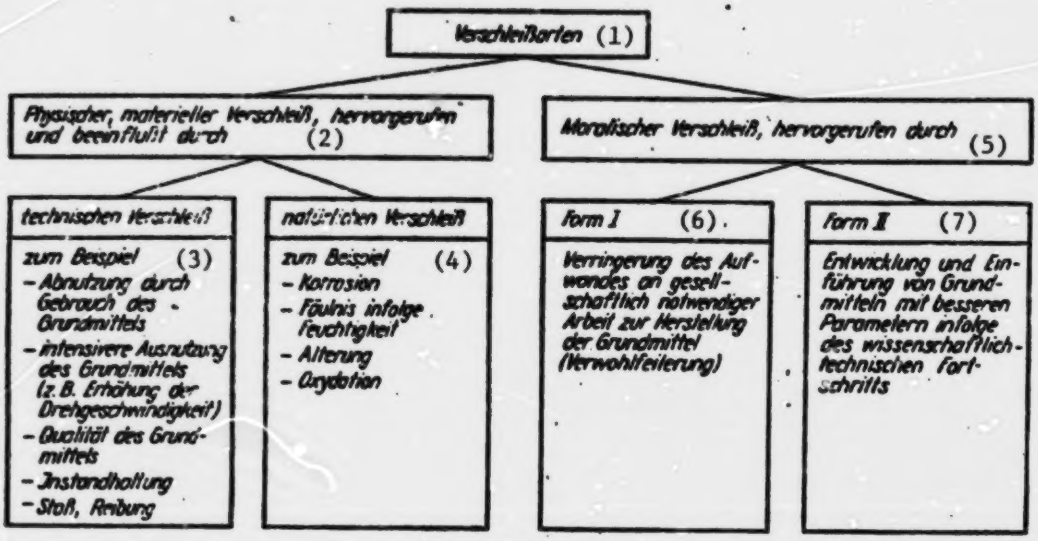
Description of the Fixed Assets	Registration No	NND (years)	Shift Utilization Rate	Depreciation Rate (%)
--Imitation leather, floor covering and foils, machines and equipment for the production of--				
--Furs, machines and equipment for the production of--				
Leather, machines and equipment for the production of--				
Water yard, machines of the--				
Daubing equipment	461 113	10	2	10
Bandknife splitting machine	461 117	10	2	10
Debristling, unhairing and coating machines	461 114			
Debristling machines		8	2	13
Unhairing and coating machines		12	2	8
Fleshing machines	461 115	10	2	10
Degreasing machines	461 116	8	2	13
Splitting machines	461 118	8	2	13
Other water yard equipment	461 119			
Soaking, liming and puering wheels	461 112			
--Hardwood		13	2	8
--Softwood		10	2	10
Soaking and liming tumblers	461 111	8	2	13
Tanning and wet process, machines and equipment				
Drying and breaking machines	461 123	13	2	8
Samming machines		25	2	4
Whitening machines	461 126	20	2	5
Shaving machines	461 124			
Wet-shaving machines		12	2	8
Dry-shaving machines		16	2	6.3
Tanning and dyeing tumblers	461 121			
--Hardwood		13	2	8
--Softwood		10	2	10
Tanning and dyeing wheels	461 122			
--Hardwood		13	2	8
--Softwood		10	2	10

Illustration. Excerpt (p 545) from: "Alphabetical List of Fixed Asset Depreciation"

10. Page 545 Str

Description of the Fixed Assets	Registration No	NND (years)	Depreciation Rate (%)
Streets and squares for light traffic			
—macadam, surfaced	161 107	20	5
—macadam, unsurfaced	161 103	20	5
Streets and squares for medium and heavy traffic			
—with concrete pavement	161 204	50	2
—with cobblestone pavement	161 203	40	2.5
—with asphalt and blacktop covers	161 207		
—with asphalt		40	2.5
—with blacktop		30	3.2
—streets with flagstone pavement	161 208	10	10
Channeling structures	177 60	60	1.6
—for waterways		not subject to depreciation	
Retaining walls	163 20	80	1.3
Retaining and quay walls on public streets, in			
Cities, made of			
—natural stones	161 972	80	1.3
—cast stones	161 973	80	1.3
—concrete	161 974	80	1.3
Municipalities, made of			
—natural stones	161 982	80	1.3
—cast stones	161 983	80	1.3
—concrete	161 984	80	1.3
Districts, made of			
—natural stones	161 992	80	1.3
—cast stones	161 993	80	1.3
—concrete	161 994	80	1.3
Tanks, installations for--			
Solid structures for floor tanks	157 50	80	1.3
Open frames for upright and floor tanks	157 30	60	1.6
Other tanks and containers	157 90	incorporate	
Containers for storing corrosive substances			
Underground tanks		4	25
Ferroconcrete		20	5
Grouted		10	10

Graph. Outline of Types of Wear[28]


Verschleißarten (1)
Physischer, materieller Verschleiß, hervorgerufen und beeinflußt durch (2)
Moralischer Verschleiß, hervorgerufen durch (5)
technischen Verschleiß
zum Beispiel (3)
- Abnutzung durch Gebrauch des Grundmittels
- intensivere Ausnutzung des Grundmittels (z.B. Erhöhung der Drehgeschwindigkeit)
- Qualität des Grundmittels
- Instandhaltung
- Stoß, Reibung
natürlichen Verschleiß
zum Beispiel (4)
- Korrosion
- Fäulnis infolge Feuchtigkeit
- Alterung
- Oxydation
Form I (6)
Verringerung des Aufwandes an gesellschaftlich notwendiger Arbeit zur Herstellung der Grundmittel (Verwohlfeilerung)
Form II (7)
Entwicklung und Einführung von Grundmitteln mit besseren Parametern infolge des wissenschaftlich-technischen Fortschritts

Key:

1. Types of wear
2. Physical wear produced by
3. Technical wear--e.g., wear by use; more intensive utilization; quality of the fixed asset; maintenance; shock or friction
4. Natural wear--e.g., corrosion; rot caused by dampness; ageing; oxydation
5. Obsolescence produced by
6. Type 1--decrease of expenditure of socially necessary work for the production of fixed assets
7. Type 2--development and introduction of fixed assets with better parameters resulting from scientific-technological progress

The 1983 "Decree Concerning Review and Revision of the Service Life Norms and Depreciation Rates for Fixed Assets"[29] represents an attempt by the GDR's economic planners in the coming years to "stretch" by up to 30 percent--and thus considerably to extend--the service life of a number of goods. At the same time, the government announced new depreciation norms for the first quarter of 1984,[30] which were to replace the 1968 index. Publication of this special issue of GDR GESETZBLATT [Legal Gazette] No 1124 has been delayed. "For technical reasons," it has been "postponed to some time in the fourth quarter of 1984."[31]

III. History

1. The Revaluation of Fixed Assets in the 1960's

Aside from the industrial price reform and the improved price regulations, the "Guidelines for the New Economic System of Planning and Management" [NOeS] stresses the significance of the "revaluation of fixed assets" and of the introduction of new "economically substantiated depreciation norms" as prerequisites for "profit to be effective"[32] and thus for the success of the reform project. "After the revaluation of fixed assets, the state-owned sector's fixed asset reprocurement values--including current assets--will amount to approximately 200 billion marks."[33] According to the 1963 NOeS Guidelines, this figure illustrates the revaluation's importance for an "improved utilization of fixed assets; the revaluation of fixed asset creates the foundation for exercising economic control."[34]

In the 1950's and early 1960's, uniform revaluation of fixed assets had been discussed in a number of CEMA countries. In early 1961, the USSR took a fixed asset inventory and carried out a revaluation according to the price basis of 1 January 1960. This move was remarkable in that it followed a number of partial revaluations[35] and represented the first uniform--and thus actually overdue--valuation of fixed assets in the history of the Soviet Union.[36] The key objective was the uniform valuation of the national economy's entire stock of fixed assets.

In the GDR, fixed assets had formerly been balanced according to diverse price bases. Some of the older buildings were balanced according to the 1913 price basis (plus 60 percent); others, according to the prices obtaining in 1944.[37]

In the opening balance sheets[38] for the state-owned enterprises (VEB) in the then Soviet zone of occupation (which were meant to be a "preliminary step toward the regular use of accounting elements as control levers for the fulfillment of state plans"[39] in the GDR), the buildings and basic assets were valuated and balanced--in accordance with a decree concerning VEB financial management[40] as of 1 July 1948--not according to the reprocurement price obtaining at that time, but according to the "legal reprocurement price or cost price based on the prices obtaining in 1944. The values entered for older machines and buildings of the pre-1945 period differed from those of technologically comparable machines and buildings bought in recent years."[41]

A 1959 textbook--"Economics of Socialist Industry"--singles out the reasons underlying this valuation: "It was necessary, since on account of their arbitrariness the book values of the formerly capitalist enterprises were not acceptable for the VEBs' financial plans. Consequently, many buildings, machines, and plants showed in the balance sheets only in the form of so-called reminder items valued at 1 reichsmark [old German mark]. Without revaluation of these falsely assessed capital goods, accurate planning and control of the reproduction of assets subject to wear would have been impossible, or else would have required continuing complex calculations."[42]

Although a basic revaluation was called for--what with the various "price regulations" in subsequent years--the government merely undertook value conversions based on a "value index."[43] All these shortcomings had a "very negative effect on the national economy";[44] the depreciation rates prescribed to the enterprises were too low; the prime cost figures shown were "false," and the VEBs' efficiency was miscalculated. Most importantly, as a result of lower depreciation rates, the prime costs of turning out a particular product were lower in older plants than in modern, more expensive ones. Illustrating this situation, several GDR publications have mentioned the divergent depreciation rates per ton of superphosphate in three chemical enterprises employing an essentially identical process:

1. In technologically modern enterprises: 8.34 MDN [mark of the Deutsche Noterbank [German Bank of Issue]] per ton
2. In older enterprises: 3.64 or even 2.68 MDN per ton[45]

According to the authors, this had produced the impression that the modern enterprise was operating less efficiently.[46] Another important point was that without revaluation the assessment of the effectiveness of certain investment projects was bound to be false or unsatisfactory; similarly, the introduction of a production fund utilization tax (PFA)--which had already been announced in connection with the New Economic System--was not feasible without a more uniform valuation of fixed assets.

On this subject, an article published in 1963 in the periodical EINHEIT stated: "Thus the utility of a number of qualitative, technical-economic indices concerning management and the assessment of the enterprises' operations has so far been...quite limited";[47] according to the authors, the enterprises "have not been overly interested in making do with a minimum of working capital or in finding new ways of using the assets entrusted to them as economically as possible."[48]

According to the GDR economists, the "main shortcomings" of the pre-revaluation period (shortcomings encountered even today) were the following:

"a) In the entire national economy, there was a lack of accurate data concerning the actual stock of fixed assets. The figures shown for the stock of older basic assets were too low, as were the depreciation rates. Consequently, there were no acceptable data for the scientific planning of fixed asset development and maintenance.

b) Since in consequence of the fixed asset misvaluation the amortizations were not in keeping with wear-and-tear values, the prime cost figures, too, were incorrect, i.e., too low. Being a pricing factor, the amortizations led to false pricing. Moreover, the depreciation fund no longer ensured simple reproduction.

c) The misstatement of prime costs was bound up with the misstatement of operational profit and of the net efficiency and profitability of the basic assets used in the enterprises. Consequently, there was not enough economic incentive for improving fixed asset utilization. In the new economic system, profit could not perform its proper function.

Essential time and work comparisons were rendered much more difficult. For example, operational comparison between two enterprises whose fixed asset values were based on the old and the current prices, respectively, would yield misleading figures in regard to prime costs, fixed asset utilization and labor productivity."[49]

The revaluation was carried out in three stages: The preparatory phase, the phase of implementation, and a checking period subsequent to completion.

The special "Resolution Concerning Preparations for the Revaluation of Fixed Assets" of 21 December 1961[50] set the target date (30 June 1963), the scope of application and general guidelines. The work was carried out by a special "Government Commission for Fixed Asset Revaluation" and a special Government Commission office headed by H. Frase.[51] The revaluation took place in stages. After the state-owned industry, there followed the cooperative, semistate, and private enterprises.[52] The housing sector was not included. Determination of the reprocurement prices of machines and equipment as of 1 January 1961 and establishment of service life norms in a number of special enterprise catalogs proved extremely expensive and difficult, as did establishment of "valuation indices for buildings and structures" (per cubic meter of enclosed space) on the basis of fixed construction work prices as of 1 January 1958.[53] For various reasons, there were major delays.[54] With an eye to another revaluation in the mid-1980's, the work carried out during the period from 1961 to 1964 can be outlined as follows:

1) Definition and/or determination of the inventory items and their classification in fixed asset groups.

2) Taking an inventory (general inventory of state-owned industry).

3) Revision of the fixtures' gross value on the basis of reprocurement price lists and/or valuation standards and determination of wear in value terms.

4) Filling out the inventory lists.

5) Evaluation of the results, above all in regard to the impact on profit and expenditures.[55]

The publication of new depreciation rates based on internal operational data[56] was delayed and this gave rise to difficulties in regard to preparations for a new medium-term plan period in the late 1960's and in regard to completion of the industrial price reform.

According to accounts in the GDR economic literature, the state by supreme effort succeeded in completing the revaluation by 31 December 1963. Whether and to what extent the situation was complicated by inaccurate calculations is an open question.

The "Decree Concerning Revaluation of Fixed Assets" of 30 January 1964[57] and the "Decree Concerning Depreciations and Establishment of the Capital Repair Fund"[58] of the same date put into effect--as of 1 January 1964--the new depreciation rates and, as gross values, newly established reprocurement prices. The Central State Administration for Statistics issued a decree concerning the preparation of revised opening balance sheets containing a new classification of fixed assets according to the main production processes. A new uniform fixed asset classification was the basis underlying uniform fixed asset accounting (Decree on Fixed Asset Accounting of 21 March 1964).[59] According to a report by Horst Frase, head of the Government Commission for Fixed Asset Revaluation, the gross value of fixed assets in centrally controlled industry as a whole increased by 52 percent (from 56 billion to 85 billion MDN [marks of the Deutsche Notenbank [German Bank of Issue]]) after the fixed asset revaluation.[60] As regards the extent of this change, however, there were considerable differences between the individual industrial sectors.

Regarding the gross values of various kinds of fixed assets (buildings, equipment, machines, etc.), buildings and structures showed the greatest average gains, increasing by 74 percent, as against a 37-percent rise for machines and equipment.

In terms of value, the breakdown was as follows:

Fixed Asset	Before Revaluation	After Revaluation
Buildings	38.9%	44.7%
Machines and equipment	61.1%	55.3%
	100 %	100 %

Total wear increased by 88 percent, which shows that prime costs had so far been assessed at too low a level.

As a result of the fixed asset revaluation, replacement depreciations increased overall by 28 percent, but there were considerable differences between the individual industrial enterprises:

Cottbus Braunkohle [Lignite] VVB [Association of State Enterprises]	by 20 percent
Leipzig and Halle Braunkohle VVB	by 43 percent
Stahl- und Walzwerke [Steel and Rolling Mills] VVB	by 24 percent
Elektrochemie und Plaste [Plastics and Chemical Engineering] VVB	by 23 percent
Baumwolle [Cotton] VVB	by 86 percent
Leder und Kunstleder [Leather and Imitation Leather) VVB	by 188 percent
Deko [German-European Transport] VVB	by 269 percent[61]

The general inventory revealed a number of irregularities (fixed assets not located or not entered; more than 1 percent of fixed assets (valued at just under 1 billion MDN) operationally underutilized or totally unutilized).[62] Undoubtedly, one of the most important negative results was the fact that upon completion of the industrial price reform, i.e., from 1967 on, the prices of 1 January 1961 on which the fixed asset revaluation had been based no longer met the requirements of the situation prevailing after the industrial price reform. To consider another revaluation, however, was out of the question.

2. Valuation Problems in the Late 1960's

After the industrial price reform (1964-1967), there remained a number of obvious shortcomings in regard to the valuation of fixed assets and the reorganization of the price structure. The GDR's economic leadership aimed to effect a general changeover to "asset-related prices," the so-called new socialist prices of subsequent years. The prices established in the industrial price reform up to 1967 were based on plan costs calculated several years before (e.g., in 1964 for 1967[63]) and on a profit share derived from the manufacturing costs.

Regarding the fixed asset values, it should be noted that the third stage of the industrial price reform (1967) entailed a "marked increase in investment costs"[64] in relation to the hitherto obtaining prices of machines and plants. So even at that time many of the gross fixed asset values established in the course of revaluation proved outdated, the more so as even the GDR leadership admitted that capital goods prices continued to rise in the following years[65]—a fact confirmed by Western studies.[66] In connection with the fixing of asset-related prices, the valuation of the production assets was an important factor insofar as the government in 1967 introduced--as a parallel measure--the production fund utilization tax. This tax is assessed according to the "production assets," i.e., the fixed and current assets of an enterprise. Regarding these assets, however, there had been distortions as early as the price fixing in connection with the fixed asset revaluation--distortions not denied even in the GDR. In 1963, fixed assets were in principle revalued according to the reprocurement prices obtaining in 1961; fixed assets invested during the period from 1963 to 1966 were calculated on the basis of the prevailing procurement prices, and fixed assets acquired after 1966 were balanced--at constant prices--according to the 1966 price basis. Revaluation of fixed assets acquired after 1966 was done on the very problematic basis of price indices.[67,68]

3. Unsolved Valuation Problems in the 1970's

In the early 1970's--on 1 October 1971--the government issued a decree concerning a general inventory as of 1 January 1971[69] and a basic revaluation of fixed assets in the housing sector. The depreciation rates remained unchanged until 1975, however (basis: pre-revaluation gross values in the housing sector). In the USSR, there took effect--as of 1 January 1972--the first fixed asset revaluation in more than 10 years; it applied to enterprises operating in accordance with the principle of economic cost accounting. On 1 January 1973, there followed a reprocurement price-based revaluation for consumer organizations and kolkhozes [collective farms].

In the GDR, on the other hand, there were hardly any references to the problem of another general fixed asset revaluation until the mid-1970's. Owing to the attempts at economic reorganization the GDR economic leadership had been making since the early 1970's--especially in regard to planning methods and the preparation of comprehensive planning guidelines for the period from 1976 to 1930--questions concerning the improvement of productivity assessments increasingly came to the fore.

As early as February 1973, at the fourth conference of the Economic Research Council of the GDR Academy of Sciences, Donda, head of the Central State Administration for Statistics, had criticized the excessive undervaluation of fixed assets in the GDR. According to Donda, studies had shown that "in entire enterprises and branches the sum total of fixed asset price changes is so great that the gross value of their fixed assets would increase 25 percent and more, if it were to be calculated on the basis of new prices."[70]

The Dictionary of Economics--published in 1974--likewise comments critically on the price problems, stating under the headword "Revaluation of Fixed Assets": "In the last few years, certain factors prevailing in the GDR have had a limiting effect on the utility of uniform, comparable valuations meeting present reproduction conditions. The key factors have been the singular effects of the industrial price reform and the subsequent price revisions." There was something new: the dictionary contained references to a method of continuous revision of fixed asset values that had never been mentioned in any of the official announcements: "To eliminate some of the shortcomings, there are plans to develop--beginning in 1975--price statistics for capital goods so as to be able to carry out annual revaluations of the fixed asset stock on the basis of uniform, statewide prices."[71] There is a lack of more detailed information on this subject. The GDR Council of Ministers had decreed, however, to draw up "guidelines on plan accounting for the period from 1976 to 1980"[72]--guidelines paralleling the newly established guidelines on economic planning for the same period.

Possibly the intention was thrugh factorial computations to solve the revaluation problem. After the announced project had been dropped--or at least postponed indefinitely--in favor of a minimal solution, namely the Decree on Accounting and Statistics of 1975,[73] the planned revaluation suffered the same fate.

The harsh, in part nearly semiofficial criticism voiced in GDR economic journals and books is reminiscent of the situation prior to the industrial price reform of the 1960's. In the journal EINHEIT, for example, Fred Matho, one of the GDR's experts on prices, stated that "some of the current industrial prices no longer correctly reflect the socially necessary expenditure of work" and therefore could no longer be considered a "true standard in the struggle for intensification of production."[74] In connection with a gradual revision of industrial prices (extending over the 1976/80 five-year plan period) on a median cost level,[75] there also were references to a necessary revaluation of fixed assets, but these considerations left undecided both the question concerning the radical approach of total revaluation on a fixed date and the attempt at continual (annual) revision. It was above all the 1976 introduction of pricing according to the price-productivity ratio[76] that gave rise to additional questions concerning the process of valuation of fixed asset procurement prices. Besides, the principle of assessment according to gross value had been breached in the increasingly frequent cases involving fixed asset sale and reemployment of "used fixed assets": in reutilization, the balance sheet showed only the (remaining) purchase price instead of the original gross value, and this practically precluded any economic comparison between individual enterprises. As regards imported machinery, various surcharges and changes made in the mode of calculation rendered impossible any comparison with GDR machines and equipment.

There are some indications that in the late 1970's the GDR economic leadership for various reasons was uncertain as to how to proceed in regard to revising fixed asset valuation. Basically, it was a matter of two approaches. The first approach called for relating all gross procurement values (above all the new ones) to the uniform price basis of an unchangeable plan price; in the second approach, all assets would on a target date be converted to the "uniform" basis of reprocurement prices. Regarding the first case, valuation according to a constant plan price presupposed double valuation (plan price and procurement price) in the enterprises, and for this reason, this approach was excluded. As to the method of conversion to the respective price level, there likewise were various difficulties and, again, at least two possible approaches: Firstly, continuous conversion of the fixed asset stock through a system of coefficients based on annual reprocurement prices (the GDR, too, made a distinction between statistical and book revaluation[77]), and secondly, overall conversion undertaken periodically within a number of years. Prior to 1972, the shortcomings resulting from valuation distortions had "several times" impelled the Central State Administration for Statistics (SZS) "to put up for discussion the question of another fixed asset valuation,"[78] but the GDR economic policymakers--apparently made wary by past experience--backed off. It was probably in the late 1970's that the leadership for the first time clearly defined its objective. In 1977, the following statement on fixed asset revaluation was issued at the Bruno Leuschner Institute for Economics:

"The Central State Administration for Statistics has again been instructed to prepare and submit a plan showing ways of solving--at minimum cost--the problems concerning another fixed asset revaluation. The Central State Administration holds that another fixed asset revaluation will be less costly than the 1963 revaluation, since in 1963 there was put into effect--along with the revaluation--the newly developed system of economic accounting and statistical control. This system, which has proved a success, includes the extensive inventory lists, the fixed asset classifications based on these lists, the depreciation principles, the service life norms, etc."[79]

There was "far-reaching agreement" on methods as well.[80] Owing to the fact that valuation was variable and by no means uniformly incorrect, revision via price indices was out of the question. ("Since in the GDR economy there is no 'uniform misvaluation' of fixed assets, revaluation by means of price indices is hardly feasible. It would necessitate not only elaboration of price indices for the numerous types of fixed assets according to the inventory lists, but also graduation of the price indices according to the respective years of fixed asset acquisition."[81] Thus, for revision of at least 15 million inventory items (as of 1974), the state had to fall back on the instruments of the 1960's, i.e., on price lists and individual assessments. There was uncertainty, however, in regard to some other questions, e.g., the appropriate base year and the problem of maintaining comparability subsequent to revaluation, i.e., continuous revision of fixed asset values.

It is not known exactly what made the government postpone once again the total revaluation of fixed assets in the GDR; after all, even at that time it considered "the function of gross value as a basis for planning investments, equipment retirement and maintenance (to be) quite limited."[82] In the course of subsequent years, the distortions were bound to increase.

4. 1983 Revaluation Signals

As the demands concerning a consistent economic policy of intensification and of meeting new productivity targets grew more insistent, the need for a radical correction of the false or distorted capital values became more and more pressing, for "correct or incorrect assessment"[83] of an enterprise's fixed assets values "has an effect on profit and on the figures derived from it."[84] In the early 1980's, Matterne and Tannhaeuser criticized the obviously desolate state of economic affairs: "The comparability of fixed asset data could hardly be impaired any more than is presently the case as a result of both the fact that most gross asset figures are estimates and the variance in an input structure established in terms of gross assets."[85] The fixed assets' nominal value proved to be of little utility.[86]

A "secondary valuation," i.e., continuous double valuation "of all inventory items in the enterprises" was ruled out on account of its being too costly.[87]

In consequence of the 1982 measures concerning further improvement of economic accounting[88]--emphasis placed on constant comparison of "input and output," improvement of cost accounting, periodical cost reports and cost reduction programs intended to increase the transparency of operational procedures, and introduction of a wage tax as new economic control lever--the need to eliminate the grave misvaluations of a key factor undoubtedly intensified. After all, from 1975 to 1980 the production input prices had increased by an average of 25 percent;[89] further price hikes followed in the course of a gradual annual price revision during the 1981/85 five-year plan period, and in view of these increases it seems safe to assume the average price level will be rising by at least 10 to 20 percent.[90] These scissors---essentially opening between the value bases of fixed assets and current production assets--aggravated the prevailing valuation chaos. Considerations concerning introduction of decision-oriented fixed asset accounting in the GDR did not get past the theoretical stage any more than did other intensification-oriented accounting modes.[91]

In the economic literature, many of the GDR's leading economists have for years been advocating--directly or indirectly--speedy revaluation of fixed assets in the GDR. Of late, the pressure has been increasing on acount of the preparatory work for the 1986/90 Five-Year Plan.

It therefore was understandable that in the GDR Statistical Pocket Book published in the spring of 1984 the GDR's average fixed asset stock was no longer based on the 1966 price basis, but on the prices obtaining in 1980. Interestingly, neither the newspapers and journals nor the GDR GESETZBLATT [Legal Gazette] published any information concerning the mode of revaluation in statistics and its application in the enterprises. On the basis of its extent and the great statistical variation in revaluation quotas, one may venture a few speculations.

On the whole, the information published in the Statistical Pocket Book and--subsequently--in the 1984 GDR Statistical Yearbook conveys the following picture:

1) The value of the average fixed asset stock in 1982 (see Table 1) increased by 45 percent.

2) Regarding the individual economic sectors, there is great variation in the revision quotas.

3) The increase in the "production sectors" of the national economy is about half as great (33.8 percent) as in the "nonproduction sectors" (69.7 percent). The sizeable increase in the "nonproduction sectors" probably is for the most part attributable to a large construction share. In GDR statistics, the changeover from the 1975 price basis to the 1980 basis resulted in the construction share of investments showing a greater increase than the equipment share.[92] In the fixed asset revaluation of the 1960's, the difference had been insignificant. The average quota for buildings and structures (174 percent) exceeded by far the quota for machines and equipment (137 percent).[93]

4) Regarding the national economy as a whole, the figures shown from 1949 onward show the revaluation quotas declining each year by a few tenths of 1 percent, beginning at 50.3 percent in 1949 and dropping to 45 percent in 1982--an overall decrease by a little over 10 percent (see Table 2).

5) In the "production sectors" (see Table 2), there is relative constancy--with quotas fluctuating between 33.1 percent (1979 and 1981) and 34.6 percent (1975)--whereas in the "nonproduction sectors" the revaluation quota increased by approximately 10 percent between 1949 and 1982.

6) Regarding the revaluation quotas in the individual economic sectors, the variation is striking (see Table 3)--with the figures ranging from 5.7 (domestic trade in 1982) to 82.1 percent ("other production sectors" in 1982); most likely, the construction shares are a key factor in this respect as well.

7) All in all, one notes a structural shift of the GDR economy's average fixed asset stock, as against the preceding valuation according to the 1966 price basis (see above all Table 4).

Table 1. Average Stock of GDR Fixed Assets in 1982, Calculated at Comparable Prices of the 1966 and 1980 Price Bases

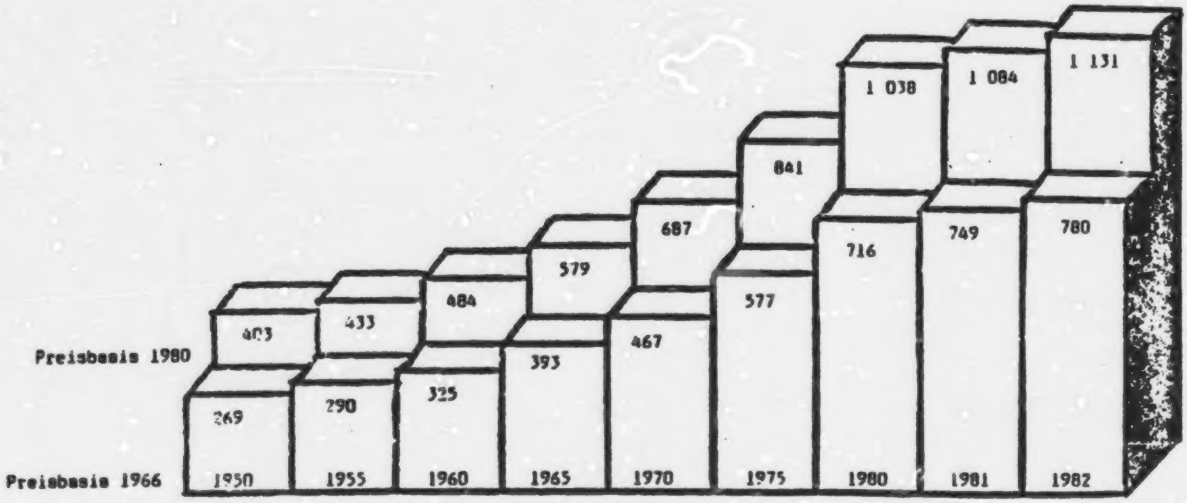
Sector	Year	Price Basis 1966, in mill. marks	Price Basis 1980, in mill. marks	$\frac{\text{Price Basis 1980}}{\text{Price Basis 1966}}$ in %
National economy as a whole	1982	779,570*	1,130,762	45.0
Production sectors	1982	536,000	717,381	33.8
including:				
Industry	1982	340,450	458,043	34.5
Production trade (excl. construction)	1982	2,400	2,610	8.8
Construction industry	1982	17,550	19,518	11.2
Agriculture and forestry	1982	68,750	103,190	50.1
Transportation, postal service, and telecommunications	1982	75,250	97,718	29.9
Domestic trade	1982	27,800	29,382	5.7
Other production sectors	1982	3,800	6,920	82.1
Nonproduction sectors	1982	243,570	413,381	69.7

Sources: GDR Statistical Pocket Book, 1983 and 1984, p 31

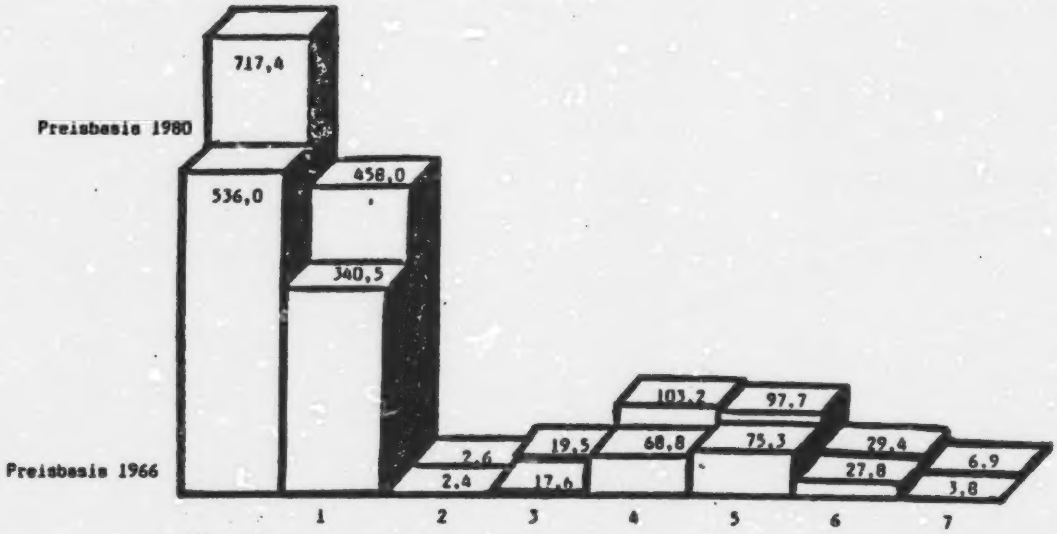
1) Prefatory statement in the 1984 GDR Statistical Yearbook (p 101): "The fixed asset values are based on comparable prices obtaining in 1980."

* 1982 tentative figures

Development of the GDR's Average Fixed Asset Stock, 1950-1982 (in Billion Marks)--Comparable Prices--1966 & 1980 Price Bases (1982 : 100)



Average Fixed Asset Stock of the GDR's Production Sectors in 1982 (in Billion Marks)--Comparable Prices--1966 and 1980 Price Bases



Incl.:
1. Industry
2. Production trades (excl. construction)
3. Construction sector
4. Agriculture and forestry
5. Transport, postal serv., telecomm.
6. Domestic trade
7. Other production sectors

Table 2. Average Fixed Asset Stock of the GDR--Comparable Prices of the 1966 and 1980 Price Bases

Jahr 1)	Gesamte Volkswirtschaft 2) in Millionen Mark			Produzierende Bereiche 3) in Millionen Mark			Nichtproduzierende Bereiche in Millionen Mark 4)		
	Preisbasis 1980	Preisbasis 1966	Preisbas.1980 / Preisbas.1966	Preisbasis 1980	Preisbasis 1966	Preisbas.1980 / Preisbas.1966	Preisbasis 1980	Preisbasis 1966	Preisbas.1980 / Preisbas.1966
1949	399 700	266 000	50,3	159 750	119 434	33,7	239 950	146 566	63,7
1950	403 300	268 550	50,2	162 400	121 339	33,8	240 900	147 211	63,6
1955	433 138	289 572	49,6	183 198	136 926	33,8	249 940	152 646	63,7
1960	483 883	324 852	48,9	217 163	161 932	34,1	266 720	162 920	63,7
1965	578 590	392 518	47,4	292 070	217 466	34,3	286 520	175 052	63,7
1966	598 454	406 769	47,1	307 914	229 237	34,3	290 540	177 532	63,7
1967	616 123	419 270	46,9	321 283	239 094	34,4	294 840	180 176	63,5
1968	642 428	434 945	47,7	336 937	250 557	34,5	305 491	184 388	65,7
1969	661 371	448 586	47,4	350 905	261 171	34,3	310 466	187 415	65,7
1970	686 624	466 722	47,1	370 703	275 985	34,3	315 921	190 737	65,6
1971	714 569	486 779	46,8	392 884	292 528	34,3	321 685	194 251	65,6
1972	741 853	506 280	46,5	414 470	308 560	34,3	327 383	197 720	65,6
1973	772 209	528 094	46,2	438 575	326 568	34,3	333 634	201 526	65,6
1974	804 695	551 443	45,9	464 166	345 717	34,3	340 529	205 726	65,5
1975	840 677	576 854	45,7	493 729	366 704	34,6	346 948	210 150	65,0
1976	878 507	603 155	45,6	522 339	388 510	34,5	356 168	214 645	65,9
1977	915 404	629 067	45,5	550 741	409 822	34,4	364 663	219 245	66,3
1978	955 650	657 241	45,4	580 210	432 851	34,0	375 440	224 390	67,3
1979	996 388	686 779	45,1	608 877	457 599	33,1	387 511	229 180	69,1
1980	1 038 236	716 092	45,0	644 369	482 724	33,5	393 867	233 368	68,8
1981	1 083 918	749 253	44,7	679 680	510 462	33,1	404 238	238 791	69,3
1982	1 130 762	779 570 *	45,0	717 381	536 000 *	33,8	413 381	243 570 *	69,7
1983	1 176 000*			754 000*			422 000*		

Key: 1. Year
2. National economy
3. Production sectors
4. Nonproduction sectors
* Tentative figures

Source: 1983 and 1984 GDR Statistical Pocket Book, p 31

Table 3. Average Fixed Asset Stock of the GDR's Production Sectors (in million marks)
Comparable Prices--1966 and 1980 Price Bases

Wirtschaftsbereiche 1)	1960			1970			1980			1982		
	Preisbasis 1980	Preisbasis 1966	Pb.1980 / Pb.1966	Preisbasis 1980	Preisbasis 1966	Pb.1980 / Pb.1966	Preisbasis 1980	Preisbasis 1966	Pb.1980 / Pb.1966	Preisbasis 1980	Preisbasis 1966	Pb.1980 / Pb.1966
Industrie 2)	127 286	94 699	34,41	225 076	167 626	34,27	406 938	305 476	33,21	458 043	340 450	34,54
Produzierendes Handwerk (ohne Bauhandwerk) 3)	1 817	1 580	15,00	2 800	2 434	15,04	2 415	2 100	15,00	2 610	2 400	8,75
Bauwirtschaft 4)	3 172	2 808	12,96	8 415	7 448	12,98	17 520	15 528	12,83	19 518	17 550	11,21
Land- und Forstwirt. 5)	31 353	20 486	53,05	57 409	37 500	53,09	93 790	61 662	52,10	103 190	68 750	50,09
Verkehr, Post- und Fernmeldewesen 6)	43 339	33 078	31,02	59 753	45 532	31,23	90 430	69 505	30,11	97 718	75 250	29,86
Binnenhandel 7)	9 224	8 730	5,66	14 929	14 129	5,66	26 828	24 942	7,56	29 382	27 800	5,69
Sonstige produzierende Zweige 8)	972	551	76,41	2 321	1 316	76,37	6 448	3 511	83,65	6 920	3 800	82,11
Zusammen: 9)	217 163	161 932	34,11	370 703	275 985	34,32	644 369	482 724	33,49	717 381	536 000	33,84

Key:
1. Economic sectors
2. Industry
3. Production trades (excl. construction)
4. Construction sector
5. Agriculture and forestry
6. Transportation, postal service and telecommunications
7. Domestic trade
8. Other production sectors
9. Total

Source: 1983 and 1984 GDR Statistical Pocket Book, p 32

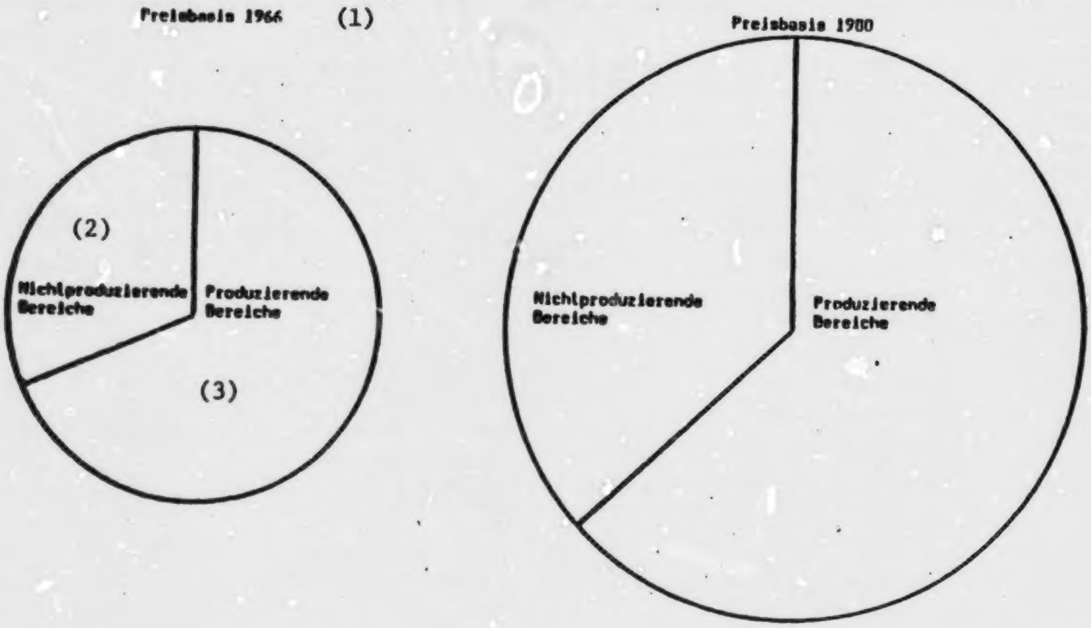
Table 4. Changes in the Production Sectors' Shares of Average Fixed Assets Calculated at Comparable Prices. 1966 and 1980 Price Bases.

Economic Sectors	1982* (Price Basis 1966) in %	1982 (Price Basis 1980) in %
Industry	63.5	63.8
Production trade (excl. construction)	0.4	0.4
Construction industry	3.3	2.7
Agriculture and forestry	12.8	14.4
Transportation, postal service and telecommunications	14.4	13.6
Domestic trade	5.2	4.1
Other production sectors	0.7	1.0
Total	100	100

* Provisional prices

Sources: GDR Statistical Pocket Book, 1983 and 1984, p 32

Graph. Average Stock of GDR Fixed Assets in 1982, Calculated at Comparable Prices



Key:
1. 1966 price basis
2. Nonproduction sectors
3. Production sectors

IV. Attempts at Interpretation

1. Improvement of Valuation in the 1986/90 Five-Year Plan

The above-described historical trends concerning changes in the valuation of fixed assets in the GDR are just one aspect of the fundamental price problems. So far, improvement of valuation, above all establishment of more realistic fixed asset values, had been considered "too complicated and laborious."[94]

A GDR study on the problem of industrial production valuation arrived at the following assessment: "At present, we do not know of any method--and there never will be such a method--that would be capable of exactly and smoothly incorporating constant prices of new, advanced products into the value structure of industrial production."[95] In view of the prevailing principles of valuation, establishment of "real reprocurement prices" of capital goods is unlikely--even though the "Lehrbuch Sozialistische Betriebswirtschaft" [Textbook for Socialist Management][96] considers such prices to be attainable--for any valuation can only be as "good" as the overall price level. A certain degree of improvement is attainable, however. Another round of price revisions, beginning on 1 January 1985, is supposed to help reduce the price level distortion. Signaling fixed asset revaluation of one form or another, the economic policymakers have shown they are determined also to eliminate this shortcoming--a shortcoming that has been obvious for years.

By taking into account the so-called contribution to public funds (70 percent of the wage fund actually paid out by an enterprise), the state wanted to eliminate the undervaluation of the labor factor in the GDR. A "revaluation of fixed assets" counteracts undervaluation of the capital factor; the GDR considers both measures important steps toward "further improvement of the socialist price structure, both in terms of the process of value generation and in terms of the cost factor."[97] Regarding the price basis of the new five-year plan, the GDR thus is laying a better foundation (as compared to previous conditions) for making productivity assessments and operational comparisons.

A more realistic assessment based on a general fixed asset inventory,[98] especially a realistic assessment of the local manufacture of streamlining measures, would be another effective measure in regard to future investments and possibilities of modernization and streamlining.[99]

2. Expectations and Open Questions

Regarding the revaluation of fixed assets in GDR statistics and another revaluation announced on 22 November 1984 at the ninth conference of the SED Central Committee, there are certain inconsistencies and some open questions--or questions that can be answered only in part. Obviously, the GDR is deliberately withholding more detailed information:

1) In what way did the changes made in the official statistics in regard to the price basis for fixed assets affect the combines and enterprises? Did the industrial management establish new fixed asset values and introduce them--provisionally or experimentally, in part or in their entirety--into the economic system, or do these figures merely represent general statistical revaluations on the part of the central planning administration--revaluations that have no bearing on industrial operations?

2) According to the SED's statement of accounts at the ninth Central Committee conference, the revaluation is a matter of a specific date as much as it has to do with a price basis in the late 1980's ("according to the prices effective from 1986 onward"). It remains an open question if there is a connection here with the revision based on 1980 prices that was published in the latest GDR statistics.

3) Of great significance in regard to the further course of development is the question as to what prerequisites are essential to a general revaluation, in particular a revaluation based on extensive price lists and individual assessments.

Regarding 1) A preliminary note on page 101 of the 1984 GDR Statistical Yearbook states succinctly: "The valuation of fixed assets is based on comparable prices obtaining in 1980." There are indications that warrant a certain skepticism in regard to a revaluation restricted to the realm of statistics. For one thing, a two-tier value system--separating the Central State Administration for Statistics from the combines and enterprises--would be at variance with the control principle stipulating a uniform valuation standard for both the planning center and the enterprise; and the great variance in valuation within the individual economic sectors seems to indicate that valuation is specific and oriented toward operational practice rather than exclusively general.

Regarding 2) Since in the 1986 GDR Statistical Yearbook (to be published in 2 years) the statistical data would have to be calculated according to the new price basis of 1985, the divergence from the 1966 price basis would be disproportionately great--if only for propaganda-related reasons. Of even greater significance are the calculations for the 1986/90 Five-Year Plan. So it is quite possible that in combine accounting and statistics a "not quite so work-intensive"[100] revaluation based on relatively general price coefficients has been effected--all reservations notwithstanding. The advantages offered by this experiment could be interesting in regard to future periodical revaluation of fixed asset values; in the mid-1980's, the undoubtedly imperfect, but all in all somewhat less unreal values would then undergo some fine tuning. At the same time, an inventory would furnish essential information on the total fixed asset stock.

The above assumption of a "quiet" provisional revaluation (via price coefficients?) is supported by an interesting fact. The GDR's economic policymakers had announced new depreciation rates (to take effect in 1984) and, in addition, a new extensive index for the first quarter of 1984. A change in depreciation rates, however, presupposes a basic revaluation of fixed assets. Publication of this index--officially announced in the GDR GESETZBLATT [Legal Gazette]--has been postponed to the fourth quarter of 1984.[101] To assume this implies difficulties in regard to the fixed asset revaluation, snags in implementation or other problems would be mere conjecture. Likewise, it would be pure speculation to expect the new revaluation announced at the Central Committee conference to be followed by an industrial price reform, just because this was the case 20 years ago. Besides, there remain certain inconsistencies in regard to the revaluation based on 1980 prices. At any rate, a larger number of indices[102] and other productivity assessment factors established in combines and enterprises in connection with fixed asset values call for more accurate valuation.

Regarding 3) In 1982, Matterne and Tannhaeuser, two of the GDR's leading experts, named the following five task complexes as key elements of a basic revaluation:[103]

1) Various calculations in preparation of the revaluation (e.g., determination of deviations and changes or impact on costs)

2) General inventory[104]

3) Implementation of the revaluation by means of price lists, other revaluation modes, or individual assessment

4) Revision of depreciation rates and depreciation modes

5) Incorporation of the new values in the balance sheets of combines and enterprises

It therefore is quite possible that aside from their being required for the five-year plan calculations, the results obtained so far in the published revaluation on the 1980 price basis are part of the preparations for another, more extensive revaluation in the mid-1980's. On that basis, it would then be possible in the next few years to undertake an "improved" valuation of fixed assets--a valuation based on the 1985 plan price and becoming effective in the second half of the 1980's. In this period, the combines and enterprises will have to make every effort to solve the problems concerning revaluation, above all the problem of establishing a large number of diverse fixed asset prices.

A rise in fixed asset values has far-reaching consequences. In view of previous procedures, the enterprises probably do not welcome higher values, since they would not only result in a less favorable fixed asset/production cost ratio, but would also raise the production fund utilization tax (on account of higher gross values); another result would be an increased need for efficiency measures and the shift system--to name but a few of the factors that could prove an obstacle to revaluation.

Addendum: Announcement of Changes in the Reference Standard for Calculating the Production Fund Utilization Tax--A New Inventory Decree

1. After the present analysis was signed to press, PRESSE-INFORMATIONEN, an organ of the GDR Council of Ministers, on 14 December 1984 published an article by Wolfgang Gress, member of the GDR Council of Ministers and state secretary at the State Planning Commission, on intensification of the "national economy's investment capacity. . . ."[105] This article announced a substantial change in the reference standard for calculating the production fund utilization tax--the result of a resolution the SED Politburo and the GDR Council of Ministers had adopted "in September 1984 in regard to measures concerning improvement of management, planning and cost accounting in the field of investment and fixed asset reproduction."[106] The SED's main objective is still more intensive modernization and streamlining of existing machinery and plants instead of investment in new equipment or expansion.

In this connection, Gress likewise announced a change in the reference standard for the production fund utilization tax (PFA):

"The orientation of investment activity and fixed asset management toward all-encompassing intensification is effectively supported by new directives concerning the production fund utilization tax. In future, this tax will be levied on the net value of fixed assets. Thus the production fund utilization tax for new investments exceeds by far the tax for existing fixed assets the net value of which is steadily decreasing. Major overhauls no longer raise the net value and are exempt from the production fund utilization tax. In future, major overhauls will therefore be less expensive than new investments. This encourages modernization and makes for a high degree of utilization of new fixed assets."[107]

For the GDR, this change represents an important reform measure. The GDR thus follows the example of other CEMA countries that had made net value the reference standard at the time the PFA was introduced or had later changed over to it. In some CEMA countries, the PFA has been replaced by other taxes. As regards passing the PFA to account as a cost factor, this still is an open question in the GDR. In the USSR, gross value remains the PFA reference standard.

For lack of more specific information, it is impossible to discuss in greater detail the effects of the above changes. It appears safe to say that the announced revaluation of fixed assets has thereby assumed greater significance.

An important aspect in connection with the announced revaluation of fixed assets according to the 1986 price basis is the question as to the future volume of PFA payments to the GDR state budget. After the introduction of a (high) wage tax of sorts ("contribution to public funds") in early 1984 and the concomitant reduction of the combines' and enterprises' net profit payments to the state budget, this would be another change in the volume of "payment channels." The modification of the PFA payments to the state budget need not be substantial, however. With the average gross value of fixed asset (calculated according to the 1986 price basis) expected to rise to

150 percent (1980 price basis: 145 percent), as compared to the valuation based on the prices obtaining in 1966, the new net value could be quite close to the former gross value of the 1966 price basis.

Generally speaking, the changeover to a net value reference standard in connection with revaluation should have a positive effect on the combines' operational accounting.

2. After the present analysis was signed to press, a new "inventory decree" was published in the GDR (Decree on the Taking of Inventories--Inventory Decree--of 31 October 1984; GBl [Legal Gazette] I, 1984, No 33, date of issue: 10 December 1984, pp 402-441). This decree replaces the "inventory guideline" of 1975 (Decree on the Taking of Inventories in Enterprises, Combines, Institutions, and Policy-Making Organs--Inventory Guideline--of 20 June 1975; GBl Special Issue 801, 27 August 1975, pp 1-8), which had replaced the regulations in connection with the revaluation of the 1960's. Taking effect on 1 January 1985, the inventory decree does not apply to artisans' production cooperatives; in that sector, it will not come into effect until 1 January 1986. The inventory decree does not contain any references to a revaluation of fixed assets. In itself, the new decree undoubtedly is an important prerequisite to the announced revaluation. It is striking, however, that in contrast to the 1975 regulations the "land" inventory is expressly dealt with in a separate article (Article 12); the previous regulations did not mention land, nor did they include woodland (Article 23) or livestock (Article 24). In the fall of 1984, an article published in the journal WIRTSCHAFTWISSENSCHAFT pointed out the importance of land "for economic input-output calculations."[108] "Inclusion of land and of other assets, e.g., livestock, would enable us to show the dynamics of producer goods (land, livestock, basic assets and current production assets) in relation to the net product of the agrarian sector."[109] The author emphasizes that the objective is not "assessment of the land in the framework of cost accounting," but only the taking into account of land and livestock "in the context of branch-specific and overall economic calculations" on the strength of their "great practical significance." These explanations and the fact that land--along with "fixed assets" and "means of production subject to stock-taking"--has been classified in the new decree under the "inventory lists'" "means of production" heading (Article 8) reveal fundamentally new aspects of valuation.

Appendix: Annotations on Fixed Assets in the GDR

Excerpts from: "Definitionen fuer Planung, Rechnungsfuehrung und Statistik" [Definitions for Planning, Accounting and Statistics], Part II, 1980, pp 47-62. Edited by the GDR Council of Ministers. Central State Administration for Statistics.

Basic Assets

Means of production whose service life norm exceeds 1 year and whose gross value exceeds

- —1000 marks in combines, enterprises, institutions, cooperatives, etc. that do cost accounting (see Decree on Accounting and Statistics in Enterprises and Combines of 20 June 1975, GBl [Legal Gazette], Special Issue No 800; Decree on Accounting and Statistics in Socialist Domestic Trade of 22 January 1976, GBl, Special Issue No 827; and Decree No 3 on Simplified Requirements Concerning Record Keeping in Accounting and Statistics of 3 February 1976, GBl, I, No 8, p 150);
- —500 marks in state organs and institutions without cost accounting, non-state-owned enterprises, etc. (see Decree No 2 on Simplified Requirements Concerning Record Keeping in Accounting and Statistics of 29 December 1972, GBl, I, 1973, No 5, p 60) and in private workshops, commission-trade enterprises, etc. (see Decree No 2 (29 December 1972) on Inclusion of Commission-Trade Enterprises and Other Private Enterprises and of Self-Employed Citizens in the Uniform System of Accounting and Statistics, GBl, I, 1973, No 5, p 68).

The category of fixed assets includes initial equipment and equipment assemblies.[110]

The category of fixed assets does not include:[111]

- --Land
- --Breeding, draft and domestic stock
- --Protective work clothes
- --Special, job-related tools and equipment whose cost forms the basis for calculating the product or service price
- --Project-oriented means of research, irrespective of their value and service life
- --Low-grade means of production with a high rate of wear, unless they represent initial equipment or equipment assemblies
- --Spare parts
- --Engines, unless they are an integral part of a fixed asset, and substitute assemblies, unless they are designated (in branch-specific regulations) as self-contained fixed assets
- --Lead materials, unless they represent equipment assemblies
- --Green space and landscaped grounds
- --Land use fees and compensatory payments for economic difficulties; compensation paid to owners

—Perennial crops
—Obelisks, statues, monuments, museum pieces and the like, unless their acquisition was effected with investment funds.

Fixed Asset Stock

The total stock of fixed assets of enterprises, branches, sectors or the national economy as a whole, taken on a fixed day, or the average stock taken during a certain period (e.g., average annual fixed asset stock calculated on the basis of the stock on hand on 13 specific days (beginning of the year and end of the respective month) or on the basis of 5 specific days (beginning of the year and end of the respective quarter)).

Fixed Assets Classified According to Their Main Production Function (Fixed Asset Groups)

Binding classification of the fixed assets (excluding initial equipment) in fixed asset groups analogous to the economic sectors:

Fixed assets for

--industrial production
--construction work
--agricultural production and forestry
--transport and communications
--commerce
--water management and environmental protection
--other branches of the production sectors
--science and technology
--education
--art and cultural affairs
--public health
--social welfare and recreation
--sports and physical education
--housing
--other branches of the nonproduction sectors

The groups serve to characterize the type and economic objective of fixed asset use in the production and reproduction process of enterprises, cooperatives and institutions.

Normative Service Life (NND)

Average time span within which similar fixed assets, adequately maintained under typical operating conditions, can be used with optimal efficiency.

On the basis of the normative service life, the fixed asset depreciation rates are determined. The NND of the individual inventory items is laid down as a state norm in the fixed asset index and depreciation rate list (GBl, Special Issue No 550 and Supplements).

Increase or Reduction of Fixed Assets

Fluctuation of the fixed asset stock in accordance with the following types of increase or reduction:

- Increase
  - Accessions (e.g., through investments, solidarity achievements, mass support drives, and donations)
    incl.: new assets
    used assets[112]
  - Inter-enterprise turnover of assets
  - Assets found
  - Revaluations
- Reduction
  - Sale of fixed assets
  - Cases of damage, demolition and scrapping of fixed assets; write-offs of initial equipment[113]
  - Inter-enterprise turnover of assets
  - Loss of assets
  - Revaluations

Fixed Assets and Expenditures Subject to Production Fund Utilization Tax

According to the currently effective regulations (see Decree Concerning the Production Fund Utilization Tax of 16 December 1970, GBl, II, No 4, p 33):

- All fixed assets at gross value up to their retirement, including assets leased (for exceptions, see GBl above)
- Investment projects carried out by main contractors in the construction and industrial sectors (from the date of commencement of operations)
- Unfinished investment projects (account category 19), provided that after assetization they are likewise subject to production fund utilization tax
- Land use fees assetized in Account 092

Fixed Asset Procurement Price

The procurement price is made up of the following costs and charges:[114]

- Cost price
- Assembly and installation costs (including the laying of foundations)
- Investment preparation costs
- Costs of earth work and installations at the construction site
- Proportionate costs of construction supervision by the authorized investor or his agents
- Costs of tests, test runs, etc., provided that they are part of the investment plan and not the result of unsatisfactory contract fulfillment and that they were not included in the payment for services rendered
- Proportionate costs of the final inspection of the investment projects, provided that these are additional costs that are payable neither by the enterprises or institutions employing the inspection agents nor by the general or main contractors

--Costs resulting from additional requirements concerning technical improvement of fixed assets
--Additional charges (agreed upon on the strength of the basic ruling) concerning implementation of the investment project, provided that the technical and economic indices underlying the industrial price were exceeded
--Other costs that on the strength of special regulations must be considered and assetized as investment costs.

The following costs and charges are not part of the fixed asset procurement price:
--Additional investment costs in accordance with the pertinent regulations
--Costs of production startup or of putting the investment project in operation
--Additional charges for preschedule completion
--Additional charges resulting from faulty preparation and implementation of investment projects
--Land use fees, compensatory payments for operational difficulties, and compensation paid to owners
--Costs of exchanges, moves, dismantling and scrapping of fixed assets.

Cost Price

The purchase price to be paid by the buyer of a particular product, including the respective prime costs and excluding the allowances and discounts taken into account.

Fixed Asset Reprocurement Price

The price that would have to be paid--under the production and price conditions prevailing in the GDR at the time--for acquisition of a comparable asset. The reprocurement price of a basic asset has to be in sufficiently accurate relation to the values of comparable new assets.

Gross Value of Fixed Assets

Gross value is defined as follows:[115]

--For new fixed assets acquired through purchase, it is the procurement price (original value);

--for used stationary assets acquired through purchase and for fixed assets exchanged, the original procurement price (original value);

--for used movable assets acquired through purchase, the cost price;

--for project-oriented means of production incorporated into the enterprise's fixed asset stock, the original procurement price (original value);

--for revalued fixed assets, the value stipulated by the regulations governing the fixed asset revaluation;

--for fixed assets produced in the framework of scientific-technological projects, the reprocurement price;

--for fixed assets produced through solidarity achievements, mass drives and other organized, voluntary activities of citizens or brigades, the industrial selling price or the gross value of comparable basic assets at hand;

--for fixed assets manufactured locally for the production of special, noncommercial streamlining measures, the value stipulated by the current regulations; for other (locally manufactured) basic assets, usually the industrial selling price;

--for dams and excavations, the procurement price;

--for fixed assets found, the original procurement price (original value) or the gross value of comparable basic assets at hand.

The gross value represents the basis for calculating the rates of depreciation.

FOOTNOTES

1. E. Honecker, "From the Politburo Report Delivered to the Ninth Conference of the SED Central Committee," NEUES DEUTSCHLAND, 23 Nov 84, p 5.

2. Ibid.

3. Headword "Umbewertung der Grundmittel" [Revaluation of Fixed Assets] in: "Woerterbuch der Oekonomie. Sozialismus" [Dictionary of Economics. Socialism], 6th ed, East Berlin, 1984, p 906.

4. See "Statistisches Taschenbuch der DDR 1984" [1984 GDR Statistical Pocket Book], pp 32-33.

5. See Guenter Mittag, "Theoretical Generalization of the Experience Gained in Combine Development for the Purpose of Improving Performance in the National Economy as a Whole, Above All in Regard to Utilization of Qualitative Growth Factors," WIRTSCHAFTSWISSENSCHAFT, No 1, 1984, p 55.

6. According to Mittag: Fixed assets per gainfully employed person in GDR industry in 1982, "in excess of 106,000 marks." (G. Mittag, op. cit., p 55). 1983 GDR Statistical Pocket Book (1966 price basis): 106,096 marks. 1984 GDR Statistical Pocket Book (1980 price basis): 141,735 marks.

7. Guenter Mittag, "Theoretical Generalization of the Experience Gained in Combine Development for the Purpose of Improving Performance in the National Economy as a Whole, Above All in Regard to Utilization of Qualitative Growth Factors," in: "Wirtschaftswissenschaftliche Konferenz der DDR im Karl-Marx-Jahr. 29.30. Sept. 1983 in Berlin" [GDR Economic Conference in the Karl-Marx-Year. Berlin, 29/30 Sep 1983], East Berlin, 1984, p 13.

8. Ibid.

9. Erich Honecker, "Bericht des ZK der SED an den VIII. Parteitag der SED" [Report of the SED Central Committee Delivered to the Eighth SED Congress], East Berlin, 1971, p 45.

10. "Politische Oekonomie. Lehrbuch" [Political Economics. Textbook], East Berlin, 1955, p 527.

11. See Karl C. Thalheim et al., "Current Attempts at Reform in the GDR Economic System—Renaissance of the 'New Economic System'?" FS ANALYSEN, No 1, 1984, p 5.

12. See Kurt Erdmann, "The New 1980 Price Basis—Changes in GDR Statistics," FS ANALYSEN, No 6, 1982, p 48.

13. Kurt Matterne and Siegfried Tannhaeuser, "Die Grundmittelwirtschaft in der sozialistischen Industrie der DDR" [Fixed Asset Management in GDR Socialist Industry], 3rd revised ed, East Berlin, 1982, p 17.

14. See "Erlaeuterungen zur Rechnungsfuehrung und Statistik in den Betrieben und Kombinaten" [Annotations on Accounting and Statistics in Enterprises and Combines], 2nd revised ed, East Berlin, 1979, p 26.

15. See Appendix.

16. Dieter Graichen et al., "Sozialistische Betriebswirtschaft. Industrie" [Socialist Management. Industry], East Berlin, 1983, p 222.

17. See Decree on Accounting and Statistics in Enterprises and Combines of 20 June 1975, GBl [Legal Gazette], Special Issue 800, Article 102 (Fixed Asset Valuation).

18. See the comments by Guenter Geissler et al.: "Rechnungsfuehrung und Statistik im Sozialismus" [Accounting and Statistics in Socialism], East Berlin, 1977, pp 75-79; or Kurt Matterne and Siegfried Tannhaeuser, op. cit., p 279.

19. Guenter Geissler et al., op. cit., p 77.

20. Kurt Matterne and Siegfried Tannhaeuser, op. cit., p 284.

21. See Wolfgang Strauss and Gerhard Reutsch, "Grundfondsoekonomie" [Fixed Asset Management], East Berlin, 1979, pp 34-35.

22. Ibid.

23. After the present article was signed to press, there was a change in the reference standard of the production fund utilization tax. See Addendum.

24. "Alphabetisches Abschreibungsverzeichnis mit Erlaeuterungen zur Grundmittelwirtschaft" [Alphabetical Depreciation Index with Annotations on Fixed Asset Management], edited by order of the Central State Administration for Statistics, East Berlin, 1974, Part I, p 11.

25. Ibid.

26. GBl [Legal Gazette], Special Issue No 550 (with supplements up to 1978).

27. Regarding problems of fixed asset valuation and depreciation, see also:
Gerd Leptin, "Methode und Effizienz der Investionsfinanzierung durch Abschreibungen in der Sowjetwirtschaft" [Method and Efficiency of Investment Financing Through Depreciation in the Soviet Economy], Berlin, 1961.
Gerd Leptin, "Die Anlagen im Rechnungswesen der sowjetischen Industrieunternehmung" [Fixed Assets in Soviet Industrial Enterprise Accounting], Berlin, 1963.
Werner Gebhard, "Bewertungsprobleme in der Bilanz des volkseigenen Betriebes" [Problems of Valuation in VEB Balancing], Berlin, 1962.
Wolfgang Foerster, "Rechnungswesen und Wirtschaftsordnung" [Accounting and the Economic System], Berlin, 1967.

28. Dieter Graichen et al., op. cit., p 229.

29. GBl, Part I, 1983, No 23, pp 236-239.

30. GBl, Special Issue, No 1124 (to be published in the first quarter of 1984), in: GBl, I, 1983, No 25, p 248.

31. "Important Notice," in: GBl, I, 1984, No 16, p 200.

32. "Guideline for the New System of Economic Planning and Management," GBl, II, 1963, No 64, pp 469-470.

33. Ibid., p 473.

34. Ibid.

35. See Gerd Leptin, "Die Anlagen im Rechnungswesen..." op. cit., pp 90-91.

36. See A. Beljakow, "The Revaluation of Fixed Assets in the USSR," DEUTSCHE FINANZWIRTSCHAFT, No 2, 1961, p 55 (abridged and revised translation of an article by Belyakov in VESTNIK STATISTIKI, No 10, 1960).

37. O. A., "Necessity and Significance of the Fixed Asset Revaluation," DEUTSCHE FINANZWIRTSCHAFT, No 1, 1963, p 5.

38. Regarding the legal regulations on valuation, see Werner Gebhard, op. cit., pp 58 ff.

39. Wolfgang Foerster, "Rechnungswesen und Wirtschaftsordnung," op. cit., p 68.

40. ZVOBl [ZIVILVERORDUNGSBLATT--CIVIL LAW GAZETTE], pp 148 ff, quoted from: Ibid.

41. K. U., "Fixed Asset Revaluation. Procurement Value--Wear--Prime Costs," PRESSE-INFORMATIONEN, No 27 (2446), 4 Mar 64, p 7.

42. Hans Arnold et al., "Oekonomik der sozialistischen Industrie in der Deutschen Demokratischen Republik. Lehrbuch" [Economics of Socialist Industry in the German Democratic Republic. Textbook], 5th ed, East Berlin, 1959, p 299.

43. Ibid., p 300.

44. "Necessity and Significance," op. cit.

45. K. U., "Fixed Asset Revaluation..." op. cit.

46. See Fred Matho, "Ware-Geld Beziehungen im neuen oekonomischen System" [Product-Money Relation in the New Economic System], East Berlin, 1965, p 85.

47. Claus Boltz et al., "Some Problems Concerning the Fixed Asset Revaluation and the Revision of Depreciation Rates," EINHEIT, No 8, 1963, p 39.

48. Ibid., p 38.

49. Hans Arnold et al., "Grundmittel, Investitionen, Produktionskapazitaet in der Industrie der DDR" [Fixed Assets, Investments, Production Capacity in GDR Industry], East Berlin, 1967, p 31.

50. GBl, II, 1961, No 4, p 34.

51. See "What About the Fixed Asset Revaluation?" DEUTSCHE FINANZWIRTSCHAFT, No 10, 1963, p F 6.

52. On revaluation, see also Manfred Melzer, "Fixed Asset, Production and Employment in Industry in the GDR Area from 1936 to 1978 and Estimate of the Future Supply Potential," DIW--BEITRAEGE ZUR STRUKTURFORSCHUNG, No 59, 1980, pp 20 ff.

53. Headword "Umbewertung der Grundmittel" [Revaluation of Fixed Assets] in: "Lexikon Rechnungsfuehrung und Statistik" [Dictionary of Accounting and Statistics], East Berlin, 1974, p 466.

54. See "What About the Revaluation of Fixed Assets?" op. cit., p F 6.

55. See Kopffleisch, "The Revaluation of Machinery," DIE WIRTSCHAFT, No 6, 11 Feb 1963, p 18.

56. Decree on the Preparation of Proposals Concerning Revision of the Fixed Asset Depreciation Rates in the State-Owned Economy, GBl, II, 1962, No 87, pp 753 ff.

57. GBl, Part II, 1964, No 14, pp 118-120.

58. Ibid., pp 120-121.

59. GBl, III, 1964, No 19, pp 197-201.

60. See Horst Frase, "Some Results of the Fixed Asset Revaluation and the Depreciation Rate Revision," DIE WIRTSCHAFT, No 10, 9 Mar 1964, p 6; Hans Jueren Hurtig, "What Did the Fixed Asset Revaluation Accomplish?" DEUTSCHE FINANZWIRTSCHAFT, No 6, 1964, pp 6-7.

61. Fred Matho, "Ware-Geld-Beziehungen..." op. cit., p 87.

62. See also Wolfgang Foerster, "Rechnungswesen..." op. cit., p 117.

63. See Erika Maier et al., "Zur Preisplanung in VVB und Betrieben" [Price Planning in VVB [Associations of State-Owned Enterprises] and Enterprises], East Berlin, 1968, pp 7-8.

64. Hans-Juergen Hoeffner, "Utilization of Value Categories in Fixed Asset Valuation," WISSENSCHAFTLICHE ZEITSCHRIFT (Hochschule fuer Oekonomie Bruno Leuschner Berlin [Bruno Leuschner Institute of Economics]), East Berlin, No 2, 1977, p 94.

65. Ibid.

66. See Manfred Melzer, op. cit., pp 26-28.

67. See Hans-Juergen Hoeffner, op. cit., p 94.

68. Regarding the problems concerning price indices, see Manfred Melzer, op. cit., pp 33 ff.

69. GBl, No 70, 1971, p 605.

70. See Arno Donda, "Some Theoretical and Practical Aspects of Further Improvement of Economic Planning," in: "Zu theoretischen und praktischen Problemen der weiteren Vervollkommnung der Planung der Volkswirtschaft entsprechend den Beschluessen des VIII. Parteitages der SED" [Theoretical and Practical Problems Concerning the Further Improvement of Economic Planning in Accordance with the Resolutions Adopted at the Eighth SED Congress], (Fourth Conference of the Economic Research Council, 9 Feb 73), East Berlin, 1973, p 94.

71. Headword "Umbewertung der Grundmittel" [Fixed Asset Revaluation] in: "Lexikon der Wirtschaft. Rechnungsfuehrung und Statistik" [Dictionary of Economics. Accounting and Statistics], East Berlin, 1974, pp 466-467.

72. See "State Reports from 1976 to 1980," DIE WIRTSCHAFT, No 29, 1974, Supplement, p 2.

73. GBl, 1975, Special Issue No 800.

74. Fred Matho, "Industrial Pricing Promotes Intensification," EINHEIT, No 9, 1975, p 1014.

75. "Grundfragen der sozialistischen Preistheorie" [Basic Problems Concerning Socialist Price Theory], East Berlin, 1977, p 126.

76. GBl, Part I, 1976, No 24, pp 317 ff.

77. See Hans-Juergen Hoeffner, "Utilization of Value Categories..." op. cit., p 98.

78. Ibid., p 101.

79. Ibid.

80. Ibid.

81. Ibid.

82. Ibid., p 99 (regarding these problems, see also Addendum).

83. Kurt Matterne and Siegfried Tannhaeuser, "Die Grundmittelwirtschaft in der sozialistischen Industrie der DDR" [Fixed Asset Management in GDR Socialist Industry], 3rd revised ed, East Berlin, 1982, p 282.

84. Ibid.

85. Ibid., p 285.

86. See "Komplexe Planung der Grundfondsreproduktion" [Complex Planning of Fixed Asset Reproduction], East Berlin, 1982, pp 18-19, 40-41.

87. See G. Forbig et al., "Betriebsstatistik" [Managerial Statistics], East Berlin, 1983, p 131.

88. See GBl, I, 1982, No 3, pp 85-92.

89. See Kurt Erdmann, "The New 1980 Price Basis. Changes in GDR Statistics," FS-ANALYSEN, No 6, 1982, pp 18-19;
Hans Knop, "Karl Marx on Intensified Reproduction in Socialism," WISSENSCHAFTLICHE ZEITSCHRIFT (Bruno Leuschner Institute of Economics), East Berlin, No 3, 1984, p 13;
Michael Buechner, "Some Theoretical Problems Concerning the Development of Material Economy During the Transition to Comprehensive Intensification," WIRTSCHAFTSWISSENSCHAFT, No 8, 1984, p 1143.

90. See Kurt Erdmann, "Economic and Managerial Conceptions in the GDR Between Necessity to Reorganize and Indifference Toward Reform," in: Kurt Erdmann et al., "Die DDR-Wirtschaft unter dem Zwang von Engpaessen und Instabilitaeten" [The GDR Economy under the Dictates of Bottlenecks and Instabilities], Part II, Eighth Symposium of the Forschungsstelle [Research Center]; papers on 19 Nov 82, pp 29-33.

91. See Kurt Matterne and Siegfried Tannhaeuser, op. cit., pp 515-516.

92. See Kurt Erdmann, "The New 1980 Price Basis," op. cit., pp 27-29.

93. See Section III, 1 of the present study.

94. Dieter Graichen et al., "Sozialistische Betriebswirtschaft. Lehrbuch" [Socialist Management. Textbook], 4th revised ed, East Berlin, 1980, p 295.

95. Gerhard Heske, "Messung des Produktionswachstums" [Measuring Growth of Production], East Berlin, 1984, p 113.

96. See Dieter Graichen et al., "Sozialistische Betriebswirtschaft," op. cit., p 295.

97. Manfred Braun and Gerhard Richter, "Cost Accounting as Reflected in Social Requirements. Fred Oelssner's Contribution to the Theory and Practice of Cost Accounting," WIRTSCHAFTSWISSENSCHAFT, No 12, 1983, p 1819.

98. Regarding changes that took place after the present study was signed to press, see Addendum.

99. Regarding changes that took place after the present study was signed to press, see Addendum.

100. Kurt Matterne and Siegfried Tannhaeuser, op. cit., 3rd ed, 1982, p 287.

101. See GBl, Part I, 1984, No 16, p 200.

102. E.g., fixed asset profitability, fixed asset quota, fixed asset intensiveness.

103. See ibid., pp 288-292.

104. In mid-December 1984, the GDR published a new inventory decree (GBl, I, 1984, No 33, pp 402-411). See also Addendum of the present study.

105. Wolfgang Gress, "Focus the Economy's Investment Capacity on Comprehensive Intensification," PRESSE-INFORMATIONEN, No 147 (5585), 14 Dec 84, p 2.

106. Ibid.

107. Ibid.

108. Helmut Schieck, "Theoretical Problems and Practical Experience in Regard to Further Implementation of the Economic Strategy in Agriculture," WIRTSCHAFTSWISSENSCHAFT, No 9, 1984, p 1290.

109. Ibid.

110. As to state organs and institutions, see Ministry of Finance Guideline of 10 March 1971--Fixed Asset Accounting.

111. See GBl, Special Issue, No 800, 827.

112. Regarding calculation of the accession rate, the used fixed assets purchased abroad are to be handled in the same way as accessions of new assets.

113. Regarding calculation of the replacement rate, the fixed assets retired and sold abroad are to be handled in the same way as asset reduction through damage, dismantling and scrapping.

114. See Decree on Accounting and Statistics in Enterprises and Combines of 20 June 1975 (GBl, Special Issue, No 800) and the Decree on Accounting and Statistics in Socialist Domestic Trade of 22 January 1976 (GBl, Special Issue, No 827).

115. See Decree on Accounting and Statistics in Enterprises and Combines of 20 June 1975 (GBl, Special Issue, No 800) and the Decree on Accounting and Statistics in Socialist Domestic Trade of 22 January 1976 (GBl, Special Issue, No 827).

8760
CSO: 2300/538

FINANCE OFFICIAL ON PLANS FOR PERSONAL INCOME TAX

Budapest FIGYELO in Hungarian No 45, 7 Nov 85 p 3

[Interview with Dr Laszlo Bekesi, deputy minister of finance, by Katalin Forgacs: "Uniform Personal Income Tax System: More Equitable Sharing of Tax Burden--Uniform Appraisal--Wage and Price Reform--Without Wage Regulation--More Effective Social Welfare Policy--Linear Contribution to Retirement Pension Fund"; date and place of interview not specified]

> [Text] Those who earn under 200,000 forints will pay a somewhat more modest personal income tax in 1986 than they do this year, while the progression of tax rates increases slightly in the higher income brackets. After these quantitative changes of a technical nature, the spadework of more sweeping tax reform will proceed. We asked Dr Laszlo Bekesi, deputy minister of finance and head of the Economic Policy Subcommittee entrusted with developing the uniform personal income tax system, about this. Does this work group consider settled the question of whether a new-type income tax system must be created, or does the group also regard the definition of goals as its task? What can the economy expect if we switch over to this new form of taxation?

[Answer] To begin with, I would like to make clear that the majority of issues we now discuss are still undecided: we live in a process of crystallization of plans, projects, ideas. A definitive standpoint has not been adopted yet. I can nevertheless say that--as is evident from the recent displays of this government--economic reform must continue, and modification of the tax system will probably be an integral part of it. However, we have still not decided when the change will take place, and experts are now discussing the details.

[Question] Getting back to the definition of goals: up until now, it has often been suggested in publications that the uniform personal income tax system is expected, more than anything else, to "reduce income differences which are disproportionate to work performed," i.e., society's sense of justice, though still somewhat vaguely defined, will be asserted more forcefully...

[Answer] What we hope for, naturally, from the introduction of a new tax system is a sharing of the general tax burden somewhat more commensurate with income than it is at present. But by no means is that the primary goal. Now would be a good time, by the way, to rid ourselves of certain illusions about this matter. A substantial share of truly exorbitant incomes is invisible and indeed illegal. "Apprehending" them is a task for criminal investigators, not for the tax system.

What society can first and foremost expect from tax reform is a uniform appraisal of earnings and expenditures in all sectors of the economy: the tax system will finally be sector-impartial, and performances will accordingly become comparable. In the current tax system, namely, the tax burdens fall on the enterprises, and these tax burdens are right now so great that we in turn are forced to use special judgment. At the same time, the tax imposed on individual businesses differs to a great extent depending on the organizational form, which, among other things, creates the opportunity for the acquisition of incomes which differ in the socialist and nonsocialist sectors.

[Question] A tax schedule based on gross income would not automatically reduce the wage burdens of enterprises, because greater wage expenditures would appear in place of them.

[Answer] We do not intend to reduce the enterprises' tax burden merely by introducing a uniform personal income tax system. We will transform the tax structure within the framework of a sweeping tax reform which will simultaneously change income regulation through introduction of a personal income tax and price regulation through an increase in the importance of a sales tax, perhaps a kind of value-added tax. The latter modification would substantially reduce the net-income content of producers' prices. As far as a tax schedule based on gross income is concerned, we are of the opinion that everyone must first certify net wages. The enterprises obtain a certain freedom of movement to develop the compensation of net wages on an individual basis.

[Question] It is often inadvisable to introduce such far-reaching changes. Are there additional elements to this package of measures?

[Answer] As I said, I can make no statement for the time being about definitively settled issues, only about gradually crystallizing principles. But one of the unconditional principles is that we are free to introduce the uniform personal income tax system only in the framework of a more general arrangement, because the system is not sensible in itself. There is a need for wage and price reform, for a change in earnings and income regulation, and introduction of the uniform personal income tax system can occur within this framework. Without an alteration in the four fundamental mechanical elements I mentioned, the uniform personal income tax system would become merely a technical procedure, and so the measure would make no sense.

According to our designs, the mechanical modification of certain tax rates would not occur this time. Rather, the assessment of expenditures and labor input and the entire system of personal interest should be radically changed; the degree and place of origin of net incomes must be reorganized. We have to create harmony between prices, wages/earnings, and income regulation. Consequently, we are not planning an isolated personal income tax system modification but rather a sweeping tax reform in the framework of which we could switch over to a value-added type of taxation in the enterprise sphere.

[Question] Is it also a fundamental principle that with introduction of the uniform personal income tax system the wage fund regulation must be ended?

[Answer] Absolutely. The whole thing would otherwise make no sense.

[Question] Wages must be differentiated in order to stimulate better performance, but the leveling off must be entrusted to taxation, and the uniform personal income tax system seems suitable for this. But is this tool suitable for "keeping a firm hand" on incomes and for regulating demand?

[Answer] The main reason for bringing price regulation up to date would be to have a proper assessment of national expenditures and net incomes. In the present situation, namely, the cost relations of various economic forms differ from one another to no small degree because the use of labor input is assessed dissimilarly. Regulation of demand would in effect become a function of the price mechanism... Naturally, the tax system will not be able to shoulder the tasks of regulating demand.

[Question] There is fear that in the midst of economic shortages this will cause unfortunate problems...

[Answer] Nowhere in the world is there a perfect system of macroeconomic management, nor do we attach such illusions to the new tax system. We hope that at the moment of introduction--it is unlikely for a year or two--we can in effect emerge in a market buildup, and then we can expect the price mechanism to fulfill certain income-restricting functions. But since it is a matter of economic shortages, we must invariably take into account that in a given case the state has to resort to special management tools. Nor is it out of the question that the state will later restrict a part of the domestic demand, though this would not be desirable under the circumstances of the new system, because what we basically expect from the uniform personal income tax system is a redistribution of income.

[Question] How will the position of the three owners of income--the state budget, the enterprise sphere, and the population at large--develop under the new tax system?

[Answer] Our starting point is that we will introduce the uniform personal income tax system together with a modification of the enterprise tax system, probably in the form of a value-added tax. In this case, the degree of concentration of enterprise incomes would be reduced at the moment of introduction, i.e., the net incomes of enterprises would increase. The reorganization would also affect the economic functions: fewer tasks would devolve on the budget. As far as the population at large is concerned, its total net income would decline somewhat, but its gross income would increase in the wake of a more effective social welfare policy. Local income would increase radically in accordance with place of residence; local self-government and social welfare policy, which takes regional needs into account, would also gain strength. It must be stressed that among the population at large the tax burden will increase only for those who have relatively high earnings and where the earnings derive from several sources.

[Question] The Hungarian wage system has been a so-called nonpayment system for 40 years now, i.e., wages do not include funds for purchasing a dwelling. To what degree will the planned wage-and-tax reform solve this problem?

[Answer] Let there be no mistake about it: we are planning a tax reform, not a revaluation of the forint. The question of what kind of expenses we take into account in wages would be inseparable from placement of the forint currency on new foundations. So the inclusion of realistic dwelling expenses in wages cannot be solved in a single step. At the moment of introduction of tax reform, when there is a tax schedule based on gross income, the net wages per person do not change, but the net earnings would remain unchanged only on the average. The extra burdens due to tax concentration appear in the second and third incomes. It must be understood that in a certain sphere and thus on the average the tax burdens of the population at large will increase slightly. On the other hand, it is our firm intention that savings for dwelling purposes be deducted from taxable income.

[Question] How would the tax reform be linked to social welfare policy? Was consideration given, for example, to a negative income tax, to family taxation? And since the number of children is the biggest income-differentiating factor, how would allowance be made for it?

[Answer] In examining the connection between the personal income tax and the social insurance system, the unequivocal starting point is that these regulatory fields have independent and easily separable tasks. It would be wrong for us not to distinguish between the responsibilities of tax payments and social insurance payments, i.e., if we collected them in one sum. Then again, neither is the current practice good which operates the contribution to retirement pension fund with a progressive schedule of rates, thereby to a certain degree taking over taxation's role in shaping income ratios. The contribution to retirement pension fund must be made proportionate, or linear, to income; by so doing, it is brought into harmony with the old-age pension, which is likewise directly proportionate to income.

The problem in connection with income policy is that every income from which a contributory deduction occurs must be made into the basis of social welfare provisions. Making allowance for incomes over 10,000 forints in a degressive way must be stopped.

The projected schedule of rates and the relation between incomes serving as the basis of social insurance and the actual social services must be framed in such a way that in the long run the state can undertake to preserve the allocation of social welfare services at an advanced level.

Making the allocation of social insurance provisions the basis of assessment requires a tax schedule based on gross income. Accordingly, the scale of retirement pay and disability allowance must be fixed so that the tax bracket can be built in without reducing the real value of the provisions.

To sum up, we want to introduce an impartial tax system which we can run separately from social welfare policy, i.e., mixing the two domains is undesirable. It follows from this that we do not plan to introduce a negative income tax. Everyone pays taxes according to a uniform schedule of rates and--depending on his rightful claim--can share in social welfare benefits. For the time being, we want to introduce personal, not family taxation, although it would undoubtedly be justifiable if the tax system took into consideration how many individuals the taxpaying citizen supports.

[Question] Alongside introduction of the uniform personal income tax system, the social insurance system must obviously be modified as well.

[Answer] No decision has been made on that yet. Social insurance should presumably become more similar to systems of an insurance nature.

[Question] How are earnings from property taken into account in taxation?

[Answer] The planned tax system takes only current income into account. We can tax each piece of property, or asset, only when it is converted into money.

[Question] Two especially sensitive areas are agriculture and the income from interest payments...

[Answer] As far as agriculture is concerned, here we must proceed very cautiously in order not to terminate certain activities. But it is generally undesirable for a tax system to be restrictive. At the same time, however, it is impossible to imagine a tax system which would distinguish among income owners according to the nature of their activities. If someone earns an income of 100,000 forints, then it makes no difference what activity the money stems from: the tax must be impartial. A considerable field of play opens up, however, in determining assessable income: what kind of expenditures must be given special consideration in agriculture. We will obviously take advantage of this opportunity. As far as the taxation of income from interest payments is concerned, it would be premature to predict anything. It, too, figures among the questions to be examined.

[Related boxed item, p 3]

What Is the Uniform Income Tax Like?

The following principles have crystallized during analytical work done so far.

The obligation to pay a uniform personal income tax covers all earnings of every citizen who has income. The system for measuring tax deductions through a universal and uniform tax assessment system supports uniform demands with respect to each taxpaying individual. Exceptions occur only in a narrow circle, for example, in the case of activities taxed with items of taxation.

When the basis of assessment is being determined, the taxable earnings derived from various sources must be considered jointly. In the interest of contraction, the social welfare benefits must be raised to a degree identical with the income bracket for tax deduction. Fixed-rate forms, or forms determined on the basis of sales revenue, must be converted into taxable income.

Introduction of the new tax system does not affect the overall real-wage level. It is reasonable to exempt certain yearly income units from taxation.

12327
CSO: 2500/85

ECONOMY

HUNGARY

CONSEQUENCES OF NO INCOME TAX NOTED

Budapest FIGYELO in Hungarian No 45, 7 Nov 85 p 3

[Article: "Personal Income Tax or Something Else"]

[Text] "Those who live on wages and salary apparently pay no income tax," writes Andras Brody in an article entitled "Incentive and Alienation" in the May 1984 issue of VALOSAG. The "zero" tax rate restoring the vile and feudal tradition of "the Hungarian noble pays no taxes" discarded the hard-fought-for (bourgeois) welfare achievement of progressive taxation. Of course, the safety valve was thereby lost with which it might be possible, after a fashion, to keep a tight hold on earnings which are undeserved or which "scamper away" for various reasons. Utterly lost was the opportunity to be able to solve, simply and flexibly, the specific social welfare problems which crop up in connection with socioeconomic change. (From then on, every social welfare benefit--maternity grant and childcare aid, rent allowance, meat price differential, and who knows what else--had to be checked, verified, administered, etc, separately. I maintain that the supplementary administration which has thus evolved took and takes up more public worktime than the "zero tax" liberated in the tax offices.)

"Because a certain degree of alienation must still be proved, however, this taxation can assume no form other than regulation of wages themselves. This regulation has taken a peculiarly summary form in the necessary system--regarded as bad--of wage fund regulation.

"By virtue of the precepts of wage fund regulation, the enterprises' sphere of activity was very restricted in practice. The enterprises cannot--or can only to a very reduced degree--adequately compensate the workers for occasional surplus output. The result of this is that the enterprises are annually forced to readjust norms in order not to exceed the approved limits of the wage fund.

"What could the economy offer, on the basis of economic considerations, to someone who provided surplus output? If the worker produces twice as much, then he also creates twice as much new value. If in turn he receives twice his pay, he would still double the value transferable from him and would make it possible for the administrator he supports to receive twice as much pay and to be able to spend twice as much for common goals.

"But on second thought, it is likely that the assessment of just a moment ago is only the lower limit of the payable sum, because the twofold production is accompanied by the better use of machines and buildings and by the constancy of a large part of the general expenses. As a consequence of twofold output, the new value at least doubles but in practice grows faster than that. There would thus be room for a relative increase in administrative expenses, if this is by no means unavoidable. If, however, the curtailment must increase faster than this, it is still better to procure the money for these expenses through a progressive tax and even through inflation than to nip surplus output in the bud by wage fund regulation and institutionalized readjustment of norms."

12327
CSO: 2500/85

EXPORT OF ROLLER BEARINGS TO INCREASE

Budapest FIGYELO in Hungarian No 45, 7 Nov 85 p 9

[Article by Istvan Garamvolgyi: "Export of Roller Bearings"]

[Text] The Hungarian Roller Bearing Works (MGM) is the only representative of the domestic bearing industry, and thus its basic task is to meet domestic needs. During the last 5 years, it has steadily and dynamically increased its convertible-account exports, the value of which rose from $7 million in 1981 to $10.2 million in 1984.

For this year the company had planned total export sales worth $10.5 million, but following an increase in orders during the year, it undertook exports worth an additional $1 million. And since the fulfillment of this is virtually guaranteed by the unusually good rate of exports--during the first half of the year, $5.8 million was realized from convertible-account exports which had risen to $11.5 million--it can be stated that during the period of the sixth 5-year plan the company increased convertible-account exports by much more than 50 percent.

Modernization and Competitiveness

The technical-economic reasons for this are the following. The company's technical modernization was completed at the start of the 1980s. The investment of 3.6 million forints not only increased factory capacity by roughly 10 million units a year and brought production equipment up to date, but at the same time it also modified the product structure in favor of quality and competitiveness. Indirectly indicative of this is the fact that MGM manufactured 250-400 types of bearings in the years before modernization, but by 1985 this product assortment had grown to approximately 1,000 through the development and improvement of bearing types which satisfy new and more fastidious demands. (The manufacture of 15 new products began during the first half of this year, among them 5 nonstandard roller bearings which meet the special requirements of convertible-account markets.)

From the standpoint of competitiveness the exports are, of course, decisive and positive proof of satisfactory quality and flexible accommodation--the technical foundations for which were laid by modernization--to market demands. Up until the start of the 1980s, the number one market for MGM convertible-account exports was the Federal Republic of Germany. The chief customers were automotive firms to whom the Hungarian company shipped bearings for direct installation. Because of a change in motor vehicle models, the share of exports to the FRG has declined, and the main market for MGM convertible-account exports during this plan period has been the United States, where previously Hungarian bearings were scarcely sold. In the interest of increasing sales and exports, a nonstandard roller bearing measured in inches had to be designed. This year more than a quarter of the company's convertible-account exports--to the tune of approximately $3 million--end up in the United States; the consumers are manufacturers of motor vehicles and electric motors. (There has been no success in reaching the direct installers; the customers are firms which circulate technical articles.) MGM's important partner is still Zasztava, which installs the Hungarian products as productive components. The company sells about half the convertible-account exports on many markets, partly in advanced capitalist countries such as France, Italy, Austria, and the FRG, and partly in a few developing countries.

Condition for Use of Capacity

MGM's capacity was 18-20 million units a year prior to the start of modernization; the investment in a product structure different from the previous one increased capacity by roughly one-third. The domestic demands in the considerably spread-out product structure did not make it possible to utilize capacity appropriately, and a powerful increase in foreign-market sales became the condition for full-scale use of capacity. The dynamic increase of convertible-account exports in recent years not only required the fulfillment of market--and from the company's viewpoint specifically technical--demands, but accommodations also had to be made for greater requirements in other areas of output and shipment. (The rhythmical shipment of an ordered quantity at prescribed dates: it is often a fixed condition in the contract that MGM is obliged to keep in stock a 1-month supply of the partner's needs in the form of finished goods.) It can be attributed to modernization that parallel with a rise in output and in the technical level of products the company's foreign-market sales also improved. The latter also has a hand in the fact that during this plan period in the midst of a production increase the ratio of convertible-account exports nearly doubled: it rose from 13-15 percent to about 28 percent.

MGM's merits and performance in dynamically increasing convertible-account exports are not diminished by the fact that they were helped by administrative activity. MGM, namely, is not only a manufacturing company but since 1965 the owner of a bearings administration. Since 1968, it has also been a capital equipment marketing enterprise for roller bearings which derive from imports and domestic production, an enterprise which in addition to distributing goods sells them to small-scale consumers through its own network of stores in the larger cities and elsewhere through the shops of its commission agent, the Miscellaneous Industrial Article Enterprise. (The major consumers, the first installers, take part in surgical operations.) In the tasks of its capital equipment marketing enterprise, MGM must also make allowance for the interests and requirements of the national economy. The Hungarian economy annually uses about 8-9,000 types of bearings, a smaller share of them as productive components (by emplacement in the end products of machines), a larger share of the assorted types as spare parts for maintenance, generally in imported products. As a manufacturing enterprise, MGM sells nearly half its annual production on the domestic market; this covers roughly 80 percent of productive use and about 50 percent of maintenance use.

Bearings Balance Sheet

In the second half of the 1970s, our convertible-account and ruble-account foreign trade balance showed a deficit for bearings: imports were roughly twice as great as exports. After the completion of modernization, the increase in MGM's dependence on exports and the national economic task stemming from the capital equipment marketing function became interknit, and MGM undertook to balance the foreign-trade scales in bearings through a dynamic increase in convertible-account exports. The commitment stemming from the capital equipment marketing function in all probability powerfully influenced MGM's export efforts and ambitions--more powerfully than the material interest. (Incidentally, our convertible-account and ruble-account foreign trade in bearings is jointly approaching a zero-balance situation in 1985.)

In any case, the lesson presents itself in retrospect that the greater development of each background-sector industry is sensible and beneficial not only for the consumer but also, as the MGM example shows, for the national economy. (Balancing the convertible-account trade in bearings contributes to an improvement--compared with the earlier situation--in the balance of foreign trade.) From MGM's viewpoint the lesson of the development has a plus-minus value: the growth of convertible-account exports is a positive thing, and yet the doubling of the export share--today it is already a proportion of one-third--is a negative thing in the sense that there is now no stoppage or retreat in the company's development. In the midst of paying off loans taken out for modernization, the company which is developing dynamically in the sixth 5-year plan must find sources of additional investment in order to preserve its competitiveness.

12327
CSO: 2500/85

WORKERS POLLED ON LABOR PRODUCTIVITY

Warsaw ZYCIE WARSZAWY in Polish 30 Oct 85 p 3

[Article by Krystyna Sonntag: "Firsthand Opinions"]

> [Text] The press is inundated with discussion on a subject which could be very generally defined as: working the Polish way. The participants in the discussion say that the production results achieved do not measure up to the outlays; they discuss the lack of worker discipline, the quality of execution, and the low productivity.

What do workers think and say about their work? Sociological research conducted at the end of last year by the Enterprise for Social Studies at the Institute of Machine Industry Organization, permitted us to gain firsthand knowledge of these opinions.

274 employees directly working in production and in the so-called indirectly productive divisions responded to the questionaire in several Warsaw enterprises of the metalurgical and machine building industries. Only a few people declined to express their own opinion. The majority believed that one must speak, because in this way there is a chance of changing the circumstances conditioning their work productivity.

How Time Slips By

The basic condition for raising productivity, in the opinion of the workers, is to eliminate losses in work time.

One of the questions in the questionaire concerned the most important causes of these losses at work places. These were enumerated as follows: machine breakdowns caused in general by their high degree of exploitation, imprecision in the technological preparation of tasks, lines in the enterprise cafeterias, insufficient supplies of raw and other materials and their poor quality, lack of functioning equipment and tools, and trouble with internal transport. A certain percent of the respondees also pointed out time losses caused by poor functioning of the enterprise health service and the lack of clarity in the supervisors' orders, with which is connected also insufficient information about how the ordered task ought to be executed.

The causes of the time losses were similar everywhere. The frequency of their occurence, on the other hand, was evaluated differently. The greatest agreement in the opinions expressed in enterprises of a different degree of technology, varying level of organization, and economic productivity, concerned the state of supplies in raw and other materials. It was agreed everywhere that irregular supplies to work places are directly connected with the efficiency of their functioning.

The differences in the views could be observed in the evaluation of the technological level of the preparation of the tasks. In the opinions of workers who achieve higher productivity and have better work conditions (more efficient machines), and also have higher qualifications, the degree of criticism on this subject was much higher than that of their less skilled colleagues.

The set of causes influencing the intensity and efficiency of work is influenced by a variety of conditions. In conversations, workers emphasized that they realized that part of those conditions was due to the crisis situation and difficulties with which the whole economy was struggling. Thus it did not depend on the efficiency of managing a certain enterprise or department. But the socalled objective difficulties, in their opinion, by far do not exhaust the list of sins negatively influencing work productivity. After all, technological sloppiness, which had already been pointed out, can hardly be included in that category. Likewise, the imprecise orders of superiors resulting in production disturbances and attesting to the low qualifications of a part of management. The same with the lines in the cafeteria or at the doctor. These complaints have a very specific address. They are proof of the critical evaluation of the cadre policy in enterprises and of the organizational state of its particular links. They also say much about the way of functioning of enterprises in which a loss of many scores of minutes of efficient work, caused for example by poor functioning of the cafeteria, does not count as an economic loss. If it were not so, managers would find a way to improve the functioning of this weak link.

Who is Bothered by What at Work

The list of matters disturbing good work does not exhaust the subject. What workers had to say in answer to the question: "What does the level of productivity depend on?" is also interesting. Thus, in the opinion of the respondees, the following factors have considerable influence on the productivity achieved at work places: personal input and willingness to work, the good functioning of machines and equipment, and the state of health and well being resulting from the work environment and also conditioned by the difficulties of daily life. The respondees, moreover, pointed out the dependency on material supplies, the obligatory standards, and quality demands.

On the other hand, there was no similar unanimity in the evaluation of the influence of such factors as the workers' professional qualifications, the possibility of receiving appropriate pay for a greater effort, the demands put forward by the superiors, the professional qualifications of the managers, and the productivity of coworkers from the same work brigade.

How are these differences distributed among the opinions? Workers with better professional preparation believe that qualifications are of basic significance for the achievement of desired results. They ascribe a similar role to material incentives. On the other hand, workers with lower qualifications are of the opinion that work productivity depends in the main measure on their superiors and on how much they demand and obtain from their workers. What is interesting is that they place the importance of pay incentives lower.

One could say that the first group of workers stakes more on the conscious involvement in the work performed as the source of good results. The second group starts with the assumption that good work can only be achieved when there is a set of stern disciplinary actions.

This difference of opinions depending on the level of the workers' qualifications and their aspirations also occurs in their evaluation of the influence of the professional skills of the superiors on the results obtained by the work crews. People better prepared for their profession, who have a broader view of the diversity of the conditions determining the level of productivity, appreciate their great role, tieing it with proper work organization and the ability to use the workers' talents.

Does the criticism applying to the organizers and in general to the method of management of an enterprise, refer also to one's own self? A decisive majority of the respondees views its own work crew very highly. They all, in the opinion of Emilia Pankonkowska, the director of the research, believe that their work input is high, and in any case, does not diverge from the productivity of the work crew. Eighty percent of the respondees are convinced that they work no worse than the others; namely, well. It is, however, characteristic that with such a good opinion of themselves, resulting from self evaluation, only a few assert that they definitely exceed the average level. There were also very few people who said straight out that they work worse than others. One can say that it is easier to throw a stone into somebody else's garden than to attempt an honest evaluation of one's possibilities and intentions. And this will probably be somewhat true.

An employee often works in such a way as the conditions created by the employer allow him. These conditions are far from perfect. They also cause a reduction of the feeling of personal responsibility for the work performed. The conviction that an employee could better perform his duties if his work was better organized, if he had efficiently working machines, appropriate materials, and the certainty that his work input would be better paid, was widespread.

12270
CSO: 2600/119

CASE STUDY ON WORKER PARTNERSHIPS EXPLORED

Warsaw ZYCIE WARSZAWY in Polish 30 Oct 85 p 3

[Article by Krystyna Gasiorowska: "Night Spinners"]

[Text] How much do they get for one night shift? It differs. From one thousand to three thousand, and 1700 on the average. Maybe for other professions these are pennies, but for them, spinners on maternity leave, they are a significant financial injection of money. So they go to work every Saturday and Sunday night, unless something unforseen happens at home.

In any case no one asks why they did not show up. Their work norm is eight hours, from ten at night till six in the morning. Since many of them commute to the factory from places as far way as several tens of kilometers from Torun, they are at work much before ten o'clock. They go the factory straight from the train. The machines are ready so it happens that they start an hour earlier. They try to use the time to a maximum. After all they are paid by the kilogram for the yarn they produce.

In this way, the economic teams in the Torun "Merinotex" work. There are fifteen of them, made up of mothers on maternity leave. They work nights, on Saturdays and Sundays when the machines in the plant are free. Their husbands remain at home with the children.

When at the end of 1983 the decree of the Council of Ministers' allowing the creation of economic teams in "Merinotex" came out, it was decided to experiment. The condition was that the work would be outside regular hours and would provide additional production for the market. The regulations defined that the money paid to the team would be included in the production costs of the enterprise and would not be subject to the State Vocational Activization Fund (PFAZ). Nor would the workers' pay be taxed. Theoretically, the experiment is advantageous both to the enterprise and to the people employed by the team.

The first economic teams were created in the spinning mill and among the doublers, that is, where the final production takes place, and where until now there were bottlenecks.

You Asked For It...

Benedykt Lejawka, the dispatcher of the doublers and the manager of the functioning team says that he has had enough. "For a year and a half I have not had one Saturday or Sunday free. I have survived because I am single but I do want to get married. Obviously one needs money, but at what price? My earnings are not a secret. Here they are: as a dispatcher of the doublers, I earn 20 thousand zloties a month, plus three thousand from the incentive fund. On the economic team, I get 130 percent of the average wage--that is, about two thousand zloties a night, which multiplied times eight nights is 16 thousand zloties.

An economic team is really an enterprise in an enterprise. The head of the team signs a contract with the director of the enterprise for the functioning of this firm and bears responsibility for it. Therefore, Benedykt Lejawka, every night and on Saturday and Sunday, supervises the work of the people and at the end of the month pays their wages. At that time he takes all the printouts from the computer, which he keeps in several binders, and spreads them out on the floor in his apartment. He checks whether the computer made the correct calculations, how much everyone worked and earned. An error can occur and must be corrected. After all, the team members, after each night, carefully note how much they earned and what they should be paid.

At the end of the month, Benedykt Lejawka takes an appropriate amount of banknotes (several hundred thousands) from the enterprise cashier and puts them in a safe which he keeps in the room. At night he pays. He is a cashier, bookkeeper, manager, personnel chief, safety inspector, storeroom clerk, and God knows who else. Moreover, he must be healthy as a horse. He cannot be sick because there is no replacement.

After the Sunday night's work, everyone goes to sleep and Benedykt Lejawka must come to work in the morning as the dispatcher of the doublers. What does he do then? He takes off about 1 AM and goes home for a few hours to sleep. He requested such a "work system" at the preliminary meeting with the members of the economic team. On 31 March 1984, before 10 PM, all the directors appeared on the production floor and the work in the new system began with a great ceremony. Benedykt Lejawka was presented as the manager, but he said he would agree to be one only under the condition that on Sunday he would not work with the team throughout the night. And for the past year and a half, he has suffered it.

Why did he agree to be the manager of the new economic team? Simply because the head of production used a psychological trick on him. He told him that if he wants, they will put in his place a certain retiree who was known rather as a disorganizer of production. Because of this he agreed, but any day now he will give notice.

Clutching at Straws

The head of the spinning mill, Stanislaw Stanclik, said that economic teams were the last chance for "Merinotex" because of high absenteeism and turnover among women workers. Therefore, when the opportunity came about to create the teams, the management eagerly set to work. They wrote 200 letters to mothers on maternity leave with an invitation to a meeting. 60 showed up. They described to them what was going on.

Currently, the spinning mill team numbers 200 people. Last year, thanks to their work, 350 tons of yarn were made, which accounted for 5.5 percent of the whole production of the enterprise. In the current year, already 370 tons. This is it, there is no more raw material. For next year, therefore, the plans are to make 500 tons of yarn in economic teams.

In the first year of the experiment, the teams were treated as stopgap measures. The plan could not be fulfilled, additional production was necessary. Thanks to the teams, last years' plan was saved. 350 tons of yarn means 300 thousand suits, according to Stanislaw Stanclik's calculations.

The teams unburdened the work crew which no longer has to work all the time. People employed during regular work hours became more disciplined, seeing that they were replaceable. Formerly, every half productive person was needed. Now, no more. "I have even ordered a revision of personnel in the spinning mill," says Stanclik. "Loafers will be shifted to other tasks." The work crew initially was unsympathetic to the night guests, fearing the destruction of the machines and envying them their earnings. Now things have calmed down. People know that they themselves can work on such a team.

Productivity on the economic team is about 50 percent higher than on normal shifts. This, however, as the manager of the spinning mill admits, is illusory productivity, because production is perfectly prepared. While the team works, there is no repair of equipment or change of assortment. Thus there are no intermissions reducing productivity.

Director Bernard Rawluk, whom everybody says came up with the idea for this type of work at "Merinotex," jokingly says that such a team is built like a car. When there is fuel, it works at full speed. When there is none, it holds at zero.

A Stellar Idea

When last year I wrote about economic teams, there were only 50 of them in the country. Now there are 400. It turns out that the idea for their creation was not so unrealistic as it seemed to some opponents of work in this system. The original decree of the Council of Ministers specified that economic teams can be created only in state and cooperative enterprises producing for the market. Now, however, various other service units, budget units, research units, and the like, are interested in this form of work.

Recent government decisions allow the possibility of creating economic teams in various work places which do not have to produce concrete goods, but can, for example, carry out repairs, services, make scientific-technical desgins, etc. The only condition is that work be performed outside regular time on equipment that is not being used.

In the situation of our economy, when every additional production or service counts and people need money, it is undoubtedly a very useful form of earning. I will repeat, however, what I wrote a year ago: People during regular work hours ought to produce enough so that there should not be a need to undertake additional work after hours.

12270
CSO: 2600/119

BASIC PARATROOP EQUIPMENT DESCRIBED

East Berlin AR-ARMEERUNDSCHAU in German No 10, Oct 85 (signed to press 20 Aug 85) pp 92-95

[Article by Lt Col Spickereit: "Safely from the Sky"]

[Text] The trainer's last searching glances are for the equipment. Then they march to the AN, the turboprop transport plane, hunch there on narrow folding seats: paratroopers of our National People's Army (NVA). Jump training is scheduled for today. High up there in the sky, the deep tone of a klaxon in the cabin will call the jumpers to action, they will step single-file to the wide-open hatch, and drop into the depths.

Quick and surprising leaps far behind the lines of the enemy's battle formation are the great advantage of this specialized corps. For this reason, landing training assumes central importance. In combat jumps, paratroopers carry with them, besides their jump equipment, also their weapons, protective masks, explosives, ammunition, rations, and other necessary articles. The parachute must bring these burdens, along with the soldier, safely from the sky to the ground. It reduces the speed of fall to around 5 meters per second. And it depends on the soldier's ability, whether he simply drifts with the 66-square-meter chute, or whether he can guide it so as to land in the planned location.

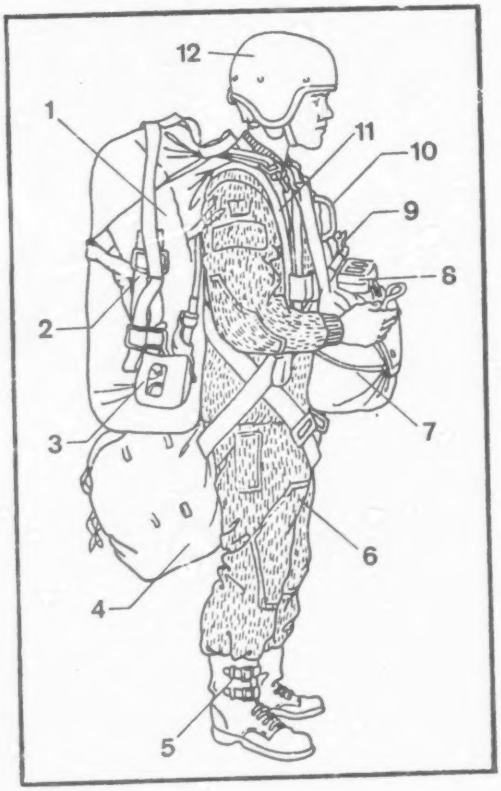
Each paratrooper must be completely familiar with the operation of his parachute and be able to pack it himself. Soldiers in the socialist defense coalition have parachutes whose devices permit a stable fall of some 50 meters per second immediately after a high-altitude jump, and before the chute is finally freed for opening.

Round Parachute RS-9/2A: this is the designation for the chute now developed and produced for the NVA in the Seifhennersdorf parachute factory. Usable everywhere and reliable, it can be used for jumps with immediate and automatic opening as well as with stabilized fall. Its round body, sewn of olive-green polyamid silk and somewhat laced in at the edge, is held by 26 cords, each of which exhibits a shear strength of 180 kp, and permits a safe and swing-free descent. An RS-9/sA is good for up to 250 jumps.

Control maneuvers can be carried out by means of the guidance flaps and their symmetrically arranged opening as well as by means of the control and thrust lines. They permit a landing that is adapted to weather conditions and exactly on target. The soldier, thus, can achieve a backward thrust with the chute that lets him land safely with the wind even with windspeeds of over 10 meters per second. On the other hand, he can position the chute so that the jumper gets a proper forward momentum of up to 3 meters per second.

In mass jumps the forward thrust is neutralized, and the chute is then only revolvable. The soldier can turn the body of the chute 360 degrees in 7 seconds. The RS-9/2A's opening system permits a minimum jump altitude of 60 meters with operating speeds of over 150 km/h. As a rule, however, jumps are made from altitudes above 300 meters. The harness is so constructed that the opening shock is evenly distributed over the entire body. The shoulder, hip, back and leg straps, the breast bar and the back cushion, among the rest, make this possible.

Again and again the paratroopers climb into the sky--to master control techniques, to employ the parachute skillfully as combat equipment, in order to use it to fulfill combat missions.



Key:

1. Main parachute
2. Opening hoist line
3. Opening device
4. Paratroop pack (ammunition, explosives, rations, medical equipment)
5. Jump boot
6. Field-service uniform
7. Emergency parachute
8. Instrument case with stopwatch and altimeter
9. Machine pistol
10. Handle for manual opening
11. Harness
12. Jump helmet

13070/12859
CSO: 2300/65

PATRIOTISM EQUATED WITH REVOLUTIONARY ZEAL

Prague RUDE PRAVO in Czech 28 Sep 85 p 1

[Unattributed editorial]

[Text] An infant is born and while being nursed he develops a relationship with his mother. He hears nursery rhymes and fairy tales used by parents to comfort their children for many generations. Gradually, the infant becomes familiar with life around him, learns the language and history of the nation of which he is a part, a nation in the heart of Europe occupying a land inherited from its ancestors. As the child grows older, his notion of the fatherland becomes more concrete as a home in which he lies with his parents, brothers and sisters, and grandparents to whom he is bound when he takes his first steps in life.

Emotional motives are joined with rational motives. In the first place, there is the understanding of history, a history which was and is a feud between progress and reaction. This feud has always had its own concrete form: in the history of the Czech and Slovak nations it is presented as a struggle between the people's revolutionary movement and the ideas of national resignation and passivity. Be it during the centuries following the Battle at the White Mountain or during the difficult trying times following the ignominious Munich Dictate and the tragic events of March 1939, the crossroads of our development were characterized by two attitudes: on the one hand, an attitude of revolution and participation, and on the other hand a reactionary attitude and a passive expectation of redemption. All this is also related to the attitude of the individual and society as well as the struggle for a progressive understanding of our national history.

When the people were seeking help or advice concerning the future, they always looked at their own history. One almost feels the urge to recall the period of national renaissance when our people built up their hopes from history while fighting national an social oppression. History also contributed to the growth of the resistance movement against fascism and fascist aggression. During the 1920's and 1930's and later during World War II, the revolutionary people's movement was linked with the Czechoslovak Communist Party which, enlightened by history and armed with scientific materialism, led the way to fulfilling the old national and social desires of the Czech and Slovak nations and how to secure, permanently and reliably, the foreign political orientation of the republic.

The heroic struggle of the Czech and Slovak people against the Nazi occupiers and the subsequent years witnessing the transformation of the national revolution into a socialist revolution have remained a permanent source of the tremendous strength of our people. Under the guidance of the party which was a hero in this struggle, we have built a socialist system in our country which brought to the end social insecurity, the system of exploitation of man by man, and introduced a socially and nationally more equitable order. For this reason Zdenek Nejedly could truthfully point to the logic of history according to which the communists were the real heirs of the progressive national traditions.

At that time, following the liberation and the 1948 events, the patriotism of our people based on the highest ideals of international brotherhood and solidarity with the nationalities of other countries was characterized by modest and self-sacrificing work for the entire society in order to quickly heal the wounds caused by the occupation and to create the resources for the further development of the republic in the spirit of the deeply patriotic motto of the communists: More work for the republic -- that is our agitation.

The life of our country has evolved very much during the past 40 years. The character of large-scale industrial production has changed; economic progress has brought benefits even to those areas which some 50 years ago were still afflicted with poverty and sickness. The upgrading of life in the villages and in the cities is primarily the result of the introduction of cooperatives in agriculture on the basis of large-scale production.

However, there is among us a new generation which knows about these historic struggles only from books and stories. It is a generation to which the values of parents are taken for granted. And this generation also wants to leave its imprint on the history of our nation.

The schools and social organizations implant into our young adults a desire to know their own homeland, the country, the past and the present. The first teachers of any young member of our nation are, however, the parents who often play the most important role in the educational process. Are all parents making full use of this opportunity? The answer is both yes and no. There are parents who believe that they secure the best deal for their offspring when they recognize as worthwhile only a vacation abroad, only imported garments. And these parents are later surprised to find that their children, the personification of the hope of their lives an old age, the future of our nation, are ignorant about whether the Praded Mountain is located in Sumava, in the Tatras, or in the Jeseniky. Not to speak of their knowledge of folk songs and folk dances and old customs whose mission is to cement the ties among the people and between them and the place where they reside. Without knowing one's own homeland it is difficult to speak of one's love for one's country.

In comparison with the period 40 years ago, the class enemy in our country has been deprived of his material base. However, certain bourgeois and petty bourgeois features have not only survived but are reappearing as a new type of weed. This is connected with the psychological warfare waged against the socialist countries and thus also our own country by the international reactionary forces.

Love of our country certainly cannot and must not lead to our closing our eyes to our shortcomings, confusion, and imperfections. For a real patriot it is characteristic that he will not become reconciled with such a situation. On the contrary, he will try to remove these shortcomings, create order at this workplace, and improve his environment.

Love of our country begins and grows primarily in those places where we are creating our national wealth, where the people are really in charge of our country's economy, in charge of their workplace, in their homes, where they view the further development of our socialist society as something in which they have a stake and take an active part.

Revolutionary development is always characterized by a given period. However, its core is always the same: an active effort for social progress. This also gives meaning to patriotism, patriotism through deeds.

1277/13068
CSO: 2400/48

GOOD NUTRITION NOT ALWAYS AVAILABLE

Prague HALO SOBOTA in Czech 28 Sep 85 p 10

[Article by zav.]

[Text] The article by Prof Engr Vladimir Petera, DrCs, entitled "The Other Side of Tasty Foods" (published on page 5 of HALO SOBOTA Nos 36 and 37 on 7 and 14 September 1985), brought lively response. Readers, in this instance primarily female readers, while agreeing with the presented principles of rational diet which contributes to the prevention of diseases of the hearts and arteries, also pointed to a discrepancy between this scientific theory and the situation that the consumer finds at the market.

"I think that our readers are sufficiently educated by now and know very well that they should eat more vegetables and fruits. However, the authors of these recommendations should take cognizance of the situation in our vegetable and fruit stores. They ought to address their suggestions to the proper places and have our stores stock up with these types of food," writes Jaroslava Horakova from Prague 6. "To learn one need not travel to foreign countries which the author of the above article lists as exemplary countries because of their high selection of foods and extraordinary high consumption of vegetables. It is sufficient, for example, to visit our neighbors in the GDR where we find a basically richer supply of vegetables of much higher quality.

"The press also promotes the consumption of foods rich in fibers. Tell us, however, where in our country we can easily buy the dark rye bread that is so highly recommended? True, one can buy a very tasty Kiev bread which is at least partially made of rye. However, you cannot get this bread everywhere. For example, it is not available in the entire Prague 6 district. If you want it you must travel to one of the exclusive baking goods stores in the center of the city. Thus, what should be a normal shopping trip becomes a shopping expedition.

"As far as the legumes are concerned, for years there have been no lentils and beans. It would probably also be a good idea to reintroduce to the market the grains eaten by our ancestors, namely edible buckwheat and millet.

"In order to maintain the recommended principles of rational diet it is absolutely necessary to have on the market a sufficient quantity of first quality and inexpensive vegetables even in the afternoon hours. In this way, women returning from their work would not have to follow the unhealthy customs of our cuisine when preparing dinner.

Jarmila Sucha from Prague-Vokovice also sent us her opinion. She writes: "Certainly the majority of us would gladly adjust to the recommended diet especially greater amounts of vegetables and fruits. However, the prices of these products have been so high, especially this season, that a citizen with an average income was more or less forced to stick to the diet not recommended by the scientists because such a diet feeds him better for the same money. Those who grow vegetables in their own gardens are, after the initial investment, better off. Atlas, it is not our goal to make every citizen self-sufficient."

A female reader from Policka who wants to remain anonymous writes: "Do not think that I object to healthy diet. Not at all. I myself would wish very much that my children have everything they need for healthy growth. In my opinion, however, the vegetables and fruits, when compared with meat and other food items, are too expensive. And this is a determining factor with most people."

The author of the article "The Other Side of Tasty Food," Prof Engr Vladimir Petera, DrCs. wrote the following in response to the views of our female readers: "The readers point to an overall shortage of vegetables and the fact that vegetables are too expensive for a certain segment of our population. Vegetables and fruits represented 4.2 percent of the total agricultural production in Czechoslovakia in 1981 expressed in Kcs. One year later, the production increased to 6.6 percent. However, the share of the agricultural land set aside for cultivating vegetables and fruits is low in our country. It would be very desirable to increase this share. It is necessary to primarily raise the output at large-scale production centers equipped with modern production technology and distribution facilities permitting minimal losses of vitamins, especially vitamin C. These losses so far, especially because of the existing methods of growing, transportation, storage, etc., are unusually high. Small producers of vegetables and fruits even with their best intention, are unable to prevent huge losses during distribution. As far as comments concerning the prices of vegetables are concerned, this is also a question which must be solved by the pertinent ministries together with the wholesalers and the Price Office. However, it is necessary in the first place to see to it that we produce more vegetables. I would like to stress that vegetables are not inexpensive in foreign countries either. But in spite of that they are consumed in larger quantities. For example, in Japan the amounts spent for vegetable purchases represent an especially large proportion of the total food budget."

1277/13068
CSO: 2400/49

SED ORGAN DETAILS, INTERPRETS BERLIN'S 750 YEAR HISTORY

East Berlin NEUES DEUTSCHLAND in German 14-15 Dec 85 pp 9-14

[Essay by a collective of historians led by Prof Dr Ernst Diehl, member of the SED Central Committee, deputy director of the SED Marxism-Leninism Institute: "750 Years of Berlin--Theses"]

> [Text] These theses were commissioned by the GDR Committee on the 750th anniversary of Berlin in 1987 and composed by a collective of historians led by Prof Dr Enst Diehl. Other members of the collective were Prof Dr Ingo Materna, Prof Dr Gerhard Keiderling, Prof Dr Hans-Joachim Krusch, Prof Dr Alfred Loesdau, Prof Dr Eckhard Mueller-Mertens and Dr Helga Schultz.

In 1987, Berlin is going to celebrate the 750th anniversary of its first documentary mention.

750 years of Berlin--three-fourths of a millenium in the changeful history of a town and its citizens linked with German and in many ways with European and world history. For centuries Berlin formed the stage for fierce conflicts between progress and reaction, between the forces of peace and of war. Berlin celebrates its 750th anniversary as the capital of the GDR, of the socialist German state in which peace is the supreme precept of national policy.

The founding of the GDR took place in Berlin. That was a turning point in the history of our people and of Europe. Molded by socialism and the workers and farmers power, the decades since became the most important chapter in its 750-year chronicle. As GDR citizens Berlin's working people became for the first time the masters over their own destiny. In setting up the GDR Committee on the 750 anniversary of Berlin, its chairman Erich Honecker, secretary general of the SED Central Committee and chairman of the GDR State Council, declared: "Under the leadership by the workers class and its party and through the cooperation with all allied forces, in 35 years of the GDR more was done and accomplished for a better and more meaningful existence of Berlin's citizens and their high material and cultural standard of living than in centuries of the city's past history. Never before was so much produced, built and reconstructed here as in our days, and never before was this done for the sole purpose of serving the well-being of the people."[1]

While facing the future, socialist Berlin is yet rooted in the rich and manifold traditions of 750 years of history. Here are preserved the results of hard work and mutable struggles by the working classes and strata throughout many centuries and the aspirations of progressive, democratic and humanistic forces and personalities, great achievements in culture, art and science, irrespective of their original social and class-bound ties. Yet primarily the city is entwined with the history of the Berlin working class and its revolutionary vanguard, the heroic and sacrificial struggles of which paved the way to our socialist present. Socialist Berlin documents the inevitable course of history as it embodies the definitive break with German militarism, imperialism and fascism, with all the dark sides of Berlin's past, which can no longer be reversed by anyone.

In full harmony with the essence in our era of the worldwide transition from capitalism to socialism, Berlin in the last four decades for the first time in its history became the point of departure and center of triumphant revolutionary changes on German soil. As the political, economic, scientific and intellectual-cultural metropolis of the GDR, decisive impulses emanate from it for the socialist development of our German workers and farmers state. In the struggle for socialism and peace in the heart of Europe, the development of Berlin at once became more and more the business of all citizens in our republic. The historic achievement the working class and all working people accomplished under SED leadership through the triumphant socialist revolution in the GDR becomes impressively evident by turning Berlin into the capital of our socialist fatherland and its growing international radiation.

For nearly a decade and a half, since the far-reaching decisions made by the Eighth SED Congress, Berlin's development has been marked by the course of the principal task with its united economic and social policies. Important material, social and intellectual-cultural advances in the life of Berlin and its inhabitants have been turned into persuasive evidence for the correctness and vitality of this people-related policy. They demonstrate the humanistic meaning of socialism and its values and advantages.

Thanks to the workers and farmers power and the industrious and creative work of its citizens, the name of Berlin enjoys a fine reputation today among the peoples, among many people around the world. Berlin, from where under imperialist rule two world wars emanated and whose name imperialist forces to this day seek to misuse to kindle perilous tensions, became the epitome of a consistent socialist policy of peace and international understanding and cooperation. This city today bears the honorific "city of peace." Fraternally and in the spirit of proletarian internationalism, Berlin and its inhabitants are linked with the Soviet Union and the other socialist states. The Berliners are committed to a cooperation with all peace forces in the world and to creating a coalition of reason and realism to thwart the dangers threatening all mankind from the most aggressive imperialist forces.

The 750-year anniversary of Berlin will bring together the Berliners with their friends from the fraternal socialist countries and from all over the world in looking back at history and ahead to the future by doing everything possible for strengthening socialism, for the happiness and well-being of all the people, for the safeguarding of peace and prosperity of this city and its inhabitants.

I

Berlin grew out of two independent municipal communities, Berlin and Coelln. 750 years ago, in 1237, Coelln was mentioned first and Berlin itself, in 1244. For centuries both communities formed a dual-town, but it became customary to refer to them simply as Berlin. Only in 1709 were they completely amalgamated together with three towns newly founded in the 17th century and called Berlin as a total entity.

Berlin originated not far from today's Marx-Engels Square on both banks of the Spree. For centuries Berlin's history would take place where today the center of the GDR capital is located.

Berlin originated in the developmental process of the feudal order in Central Europe. Around 1200, daring long-distance traders and merchants established outlets and commercial bases where Berlin and Coelln would later develop. Coming in from the Lower Rhine and Westphalian economic region, these forces of the rising municipal middle class sought to open up the Baltic region and its contiguous internal teritories economically. Their settling in what was to become the municipal area of Berlin made it possible to bring Teltow--the plateau between the Havel, Spree and Dahme--and Barnim--the plateau between the Havel, Spree and Oder--into the trade with Northwestern Europe.

At that spot, the Spree marshes, narrowing down to 4 kilometers, were easy to cross. The Spree pass here was not dominated by any castle and was easily joint to an important army and commercial route near-by between the German and Polish feudal states. The activities of the long-distance traders and merchants took place within the feudal German eastern expansion. This brought with it established feudal political entities and the settling of feudal peasants, the setting up of markets and towns, and it promoted the development of the feudal mode of production in areas thus far settled by Slavs between the Middle Elbe and Oder. But when the first merchants settled at the Berlin Spree marshes and engineered the development of Coelln and Berlin into towns, at the end of the 1220's or the beginning of the 1230's at the latest, various rivals--the Ascanian Margrave of Brandenburg, the Wettins Margrave of Meissen, the archbishops of Magdeburg and also the Pommeranian dukes--vied for control over Teltow and Barnim.

In the struggles among the various feudal forces the Ascanians were able to enforce their supremacy over Teltow and Barnim until 1245. They granted Berlin municipal status between 1230 and 1250--the precise date has not been recorded. The Ascanian margraves fostered Berlin's development for political reasons. They provided the merchants with customs privileges and placed the development of the community under their tutelage. The town was expanded by another district at that time around the Nikolai Church and the dairy market. It was designed by a plan with a central market square and the Church of St. Mary. Now Berlin covered an area of 0.7 square kilometers. During the Middle Ages it reached a population of between 6,000 and 7,000 inhabitants.

The founding and rise of Berlin are marked by the achievements mainly of the big merchants engaged in long-distance commerce. Their families formed the patriciate and, as council dynasties, assumed the municipal government. The urban middle strata--craftsmen, middle and small merchants and tradesmen--

did possess citizen rights but were barred from governing the town. The plebeian strata--journeymen and apprentices, wage-earners and day-laborers, handy-men and servants, domestics and maidservants--were denied citizen rights or had them curtailed even though they made up more than half of the population. Members of the higher and lower clergy formed a small yet influential group. Berlin had a diocese and three parish churches and a Franciscan and a Dominican monastery with their own churches. Some Jews also were among the residents.

Berlin's development went hand in hand with the formation of the Hanseatic economic system. As a Hanse town, Berlin took part in the progressive function of that merchants and municipal association in forming an ever wider network of international commercial relations and placing the lands of the North Sea and Baltic regions into close economic relations with one another. The Berlin long-distance traders imported quality-cloth from Flanders and Baltic herrings--a principal food item--to the Brandenburg Marches. They organized the export of domestically grown corn to Flanders and Scandinavia. They benefited in this from the high productivity of the hamlets set up at Teltow and Barnim. The sovereign or the aristocratic or ecclesiastic landowners had to grant the peasants in those settlements inheritable property, personal freedom and fixed dues, all positions the peasants in the Marches would preserve in subsequent centuries. Berlin crafts did not work for exports but confined themselves to provisioning the town and its rural environment.

The town of Berlin and its merchants acquired ample feudal real estate and court and other sovereign rights in the hamlets at its outskirts. Trade profits were invested in feudal income. That was done to such an extent that in the hamlets that later became part of the Berlin municipality middle class real estate exceeded that of the feudal class and the margraves. Members of the Berlin patriciate thus acquired a position much like feudal lords.

Becoming a municipality, Berlin assumed the status of a civic community with its own administration and legislative assembly. So it had from the outset rights and an autonomous political position in the feudal state that the citizens of many older German towns in the 11th and 12th centuries had gained in their struggle against the feudal rulers of the towns, in the commune movement. The Berliners extended that position through confrontations with the territorial princes. The town bought further rights and liberties from the sovereign. It came to grips with the margraves over their tax demands and the territorial policy. To be able to protect effectively the rights and liberties gained from infringements and law violations, Berlin formed leagues of towns with other towns and with chivalric formations on a corporate basis. As early as in 1280 Berlin became the center of a corporate movement against taxation by the ruler of the realm, in the early 14th century, the head of a league of towns in the central marshes. Berlin gained full urban autonomy and joined the "inventory of sovereign towns," which Karl Marx rated as the "culmination of the Middle Ages."[2]

Social conflicts within the town spread along with it. Already late in the 13th century conflicts broke out between the patrician council and the representatives of important crafts over the position of the guilds. Conflicts between craft guilds, merchants and shopkeepers and unpropertied small burghers on the one side and the ruling patriciate, on the other, would time and again in subsequent centuries crowd the agenda of Berlin's history. They related to the membership of the craftsmen and small tradesmen in the municipal assembly, the assembly's finance and tax policy, and the matters of running guild affairs on their own. Down to the end of the Middle Ages the plebeian strata did not yet take a position of their own in these struggles. Yet the cobblers and clothiers did set up organizations of their own in the 14th century already. As in the Hanse port towns, the guild movement, the middle class opposition against the patrician council rule failed to be successful because of the strong economic and political positions assumed by the long-distance traders.

Guild disputes and middle class opposition rebellions in Berlin related to similar events in other territories of the realm and became climactic more than once. That was during the rule of Emperor Ludwig of Bavaria (1314-1347), when the guild movement for the first time culminated in many German towns, and in the first half of the 15th century, when intra-urban conflicts sharpened and spread over the territory of the whole realm.

The extinction of the Ascanians 1319/1320 triggered feudal wars and conflicts among the rivaling princely houses of the Wittelsbachers and the Luxembourgers over the claim to the Brandenburg Marches and their being incorporated first under the sovereignty of Emperor Ludwig of Bavaria, then of Emperor Charles IV (1346-1378). Throughout these protracted conflicts the town sought to protect and expand its own political and economic positions. Allied with other towns, Berlin advocated territorial unity and public peace and secure legal conditions in the mark. After Charles IV had died in 1378, the Berliners resolutely carried on their arms struggle against the nobles' prevailing predatory and private feuds and the intervention from foreign princes. Those struggles demonstrated a self-assured Berlin middle-class that did not stoop to the noble knights but valiantly kept them in bounds. In the struggle for domestic and external public peace and through its active participation in overall territorial affairs, the dual town on the Spree became the leading municipality and the urban center of the Brandenburg Marches. It headed the middle mark league of towns and became important as the site at which mark assemblies were held.

Utilizing the economic and social developmental processes of the waning Middle Ages, many German princes in the 15th century sought to reinforce feudal sovereignty and set up territorial states to which the nobility and, especially, the towns were to become subordinated. With this princely policy the burghers of Berlin found themselves confronted when Emperor Sigismund (1410-1437) in 1411 appointed the Hohenzollerns to govern the mark, who then also soon became electors. Berlin and other towns in the mark supported the first Hohenzollern prince in the mark in cracking down on the robber knights or turning down sovereignty claims from foreign princes. Yet they also maintained their municipal autonomy and rejected tax claims with reference to it. Intra-urban conflicts in 1442 provided Elector Frederick II (1440-1470) with the opportunity, in an arbitration role, to curb Berlin's two centuries-old autonomy. Henceforth, being voted into the council would require confirmation by the sovereign, and Berlin had to renounce the judicial authority it had acquired in 1391 and the right of concluding independent alliances with other towns, and had to cede a building site for the elector's castle.

Berlin's population was incensed about the ELector's interference. It postponed inter-urban conflicts and rose under arms in the Berlin Indignation of 1447/48. It was not able, to be sure, to regain its old rights against growing princely might. Yet Berlin's resistance and its potential backing from towns in the mark and in the Hanse were so emphatic that the Elector did not dare cracking down militarily on the Berlin Indignation through penal proceedings. He accepted a compromise arbitrated by the estates in the mark with the council and the civic community.

In Berlin, the territorial principality in the realm for the first time achieved a striking success against municipal autonomy. That turned the Berlin Indignation and its failure into a striking event of an importance of national history in the struggles between princely power and the urban middle class in the 15th century. The Berlin events sent a signal to the German princes for how they should generally proceed against municipal autonomy in their territories.

Subdued in its autonomy, Berlin now had to let itself be incorporated in a territorial principality. This was painful and humiliating to this self-righteous burghers community in conflict with the feudal powers. Berlin's merchants attempted all the more to maintain Berlin's economic role as the leading trading town in the middle-mark. Yet even there they increasingly met with new tendencies already linked with the transition from feudalism to capitalism. They were confronted with new problems by increasing commercial activities mainly of South German merchants in the mark, the influx of cheap metal and textile goods from South German and Saxonian craft centers, the increase of craft enterprises in the countryside, and the nobility's getting into the grain trade in the mark.

Thus Berlin's situation changed considerably up to the end of the 15th century. When the Middle Ages came to a close, it, like most North German Hanse towns, no longer was among those that boosted an economic upswing. Confronted with the stronger principalities and while a central authority was absent, it, like many other towns, was unable to maintain its autonomy. In the fortress erected in the middle of the 15th century, the first one in town, the Hohenzollern electors took up their permanent residence since 1486. More and more the town began to grow into functions for the centralization and governing of the electorate of Brandenburg.

II

The historic events in and around Berlin in the 15th century indicated a ripening of an overall social crisis that would ultimately flow into the German early bourgeois revolution. The Reformation and the Peasants' War were among the events that initiated the transition from feudalism to capitalism. After the cruel crushing of the Peasants' War, the Elector of Brandenburg, as the princes in other German territories as well, used the Lutheran church reformation to expand his own rule. Conforming to the demand from the municipal middle class, the reformation was introduced in 1539 by order of the authorities. Thereby the sovereign acquired the supreme ecclesiastic power and all church property, including the real estate and income of the Berlin churches, monasteries and hospitals. The elector gained still other power positions in the town and strengthened the principles for the rule by territorial states.

More and more Berlin became the political, administrative, economic and cultural center of the territorial state. There the seats were found for the new official authorities, the supreme court, the privy councillor, the magistrate's office and the church council. To educate civil servants and clergy, the Grey Monastery gymnasium was set up in 1574 in the former Franciscan monastery, which enrolled pupils from far and wide. The printers Hans Weiss and Leonhard Thurneisser turned Berlin into a book printing center in the electorate.

Now courtiers, clergy and civil servants increasingly composed the upper social stratum of the residence capital. The Berlin merchants who had lost their political and economic influence found that the court with its consumption of luxury items offered new chances for accumulating commercial capital. Through that residence they also found they could make up somewhat for the loss of the grain trade which the Brandenburg nobility, while expanding its estates, sought to monopolize. At the same time there was a growth in the scope and variety of the crafts in Berlin, attested by the founding of many guilds in the 16th century.

With the Thirty Years War (1618-1648) German as well as Berlin history hit rock-bottom. The elector's stance in these feudal power struggles was vacillating. Thereby he surrendered his land all the more to the looting troops of all sides. The burghers had to come up with immense payments and deliveries. At that, the demands from the Elector of Brandenburg exceeded those of the Swedish Army by multiples. In vain the burghers sought to keep the war remote from the town, to fortify it, and to prevent the militarily senseless burning down of the suburbs. At the end the residence capital had lost one-third of its inhabitants from the war, starvation and the plague. Amidst a devastated land, trade and the crafts were badly damaged and the whole development of the town had been pushed back greatly. It took a generation to overcome the consequences of that war.

The reconstruction of the town came under the aegis of the formation of Brandenburg-Prussian absolutism. While in England and the Netherlands the bourgeois order had already won, Elector Frederick William (1640-1688) and his successors in 1701 proclaimed in the kingdom of Prussia the shaken feudal system by politically emasculating the estates of the nobles and concentrating the political power in their own hands. At the same time, the reinforcing of the late feudal state implied an adaptation to progressive West European developments. In Berlin this was reflected more than in any other Brandenburg-Prussian town by a degree of promoting some bourgeois forces in commerce and crafts.

Brandenburg-Prussian absolutism was marked more by militarism than were other territorial states. Municipal administration, crafts development and public life were subordinated to the demands from the standing army. The Berlin garrison grew from a few hundred bodyguards around 1650 to circa 30,000 men in 1789, thereby forming one-fifth of the town's population. Recruiting, billeting and service (quartering) dues heavily burdened, above all, the plain people. To blunt the edge of disputes between the burghers and the military, recruiting was eventually outlawed and barracks were built.

The bellicose foreign policy of the Brandenburg-Prussian state kept subjecting the Berlin population to suffering and deprivations, even though the town itself never got drawn directly into combat operations. During the wars at the time of the Great Elector Frederick William and the three Silesian Wars under King Frederick II (1740-1786) inflation, starvation and epidemics overwhelmed Berlin. Mortality then repeatedly rose above 60 per 1,000 inhabitants annually, reaching the level of the worst of times in the Thirty Years War.

After converting to Calvinism (1613), motivated by power politics, in extending their absolutism the Hohenzollerns relied especially on reformed civil servants and court chaplains. A fierce opposition against it developed in Berlin that reached its climax in the 1660's. It embraced such diverse social forces as the Berlin craftsmen, protesting against the sovereign's tax policy, the noble estates and Lutheran orthodoxy. The noted poet of songs Paul Gerhardt belonged to it too, for which reason the Elector dismissed him as preacher at the Nikolai Church.

To consolidate the absolutist rule, the church policy of the Brandenburg-Prussian state was aimed at reconciling denominational antagonisms. So it made sense that the sovereigns turned to the idea of tolerance linked to the progressive ideas of the bourgeois movement of enlightenment and interpreted it in terms of their own interests. This became of practical importance above all in connection with the immigration policy of the Brandenburg-Prussian state which, typical of absolutism, was marked by the interest in ecomomically efficient subjects. After the Edict of Potsdam (1685) circa 5,000 reformed Frenchmen, the Huguenots, were the largest cohesive group to come to Berlin, where they domesticated luxury crafts, new technologies and a refined lifestyle. In their French colony they enjoyed the privilege of their own citizen rights, and a relatively independent administration and judicature, and amalgamated but gradually with the Berlin citizenry. Not privileged and therefore more rapidly assimilated were some hundred Bohemian religious refugees who entered the town in the 1730's and made their living, above all, as textile craftsmen and workers. Since the 1660's already the rulers would bring in wealthy Jewish merchant families. The Brandenburg-Prussian absolutism used them to finance its court and army requirements and to encourage trade and monetary transactions for the sake of a high tax revenue. They were assigned economic tasks without being granted citizen rights.

As Brandenburg-Prussia increased its power, most evident through the acquisition of the royal crown and the conquests of Frederick II, the seat of the court became important as the capital. Berlin became the government center of a state extending from the Lower Rhine to East Prussia. Seated here were the central authorities, the Secret Council, the General War Commissariat and the General Finance Directorate, the last two combined in 1722/23 into the General Supreme Finance War and Domains Directorate (General Directorate). The administrative and juridical authorities of the electorate of Brandenburg also were in Berlin. The central and provincial authorities would soon assume the full supervision over the municipal administration through a municipal president and a police director. The "Town-hall Regimen" [Rathaeusliche Regelement] of 1747 ended the lengthy process of eliminating the civic administrative autonomy of Berlin, to which absolutism had subjected all the towns in Brandenburg-Prussia.

To be sure, after 1740 the royal capital lost some of its function as residence because Frederick II held court in Potsdam. Yet it gained international weight as the youngest and smallest big European power. That was primarily the consequence of the absolutistic policy of the late feudal state and had to do with its war policy; only secondarily did it follow from the development of Berlin's citizenry.

The population grew from barely 10,000 to 150,000 between 1650 and 1789. That turned Berlin into the second most populous city, after the imperial city of Vienna, in the "Holy Roman empire of the German nation." This was made up of some 300 individual political entities--kingdoms, principalities, duchies, counties and imperial towns. The most important influence on Berlin's population figure came from the state settlement policy which in the 18th century attracted a growing influx of newcomers from the Brandenburg surroundings, but also from areas more developed in the crafts in Saxony and West and Southwest Germany. In the decades after the Thirty Years War, new small towns were founded with their own municipal judicature--Friedrichswerder, Dorotheenstadt, and Friedrichsstadt. In 1709 they became amalgamated with Berlin and Coelln into the capital and residence city of Berlin under a municipal council.

While the other electoral towns suffered under the sovereign's tax pressure and the constriction of the domestic market as consequence of the peasants' disfranchisement through their second bondage, the capital and residence city derived advantages from the solidification of absolutism. That pertained mainly to Berlin's commercial and manufacturing bourgeoisie that began to form as a new social force. Many factories evolved in the textile and metal trade. The efforts of the commercial and manufacturing bourgeoisie were totally oriented to satisfying the needs of the court and the army. It largely assumed the financial risk of the Prussian military and war policy, received privileges and monopolies for it, and subordinated itself to the dictates of the absolutistic state. The class contradiction between the developing bourgeoisie and the late feudal state was covered up. Berlin's commercial and manufacturing bourgeoisie did not enter into political opposition to the feudal state.

To a smaller degree the Berlin crafts also profited from the expanded sales market offered by the court, the garrison and the bulging civil service. They grew much in numbers and achieved high trade specializations and skills. Since this was a favorable situation--compared with the perceptible crisis in the craft guilds in many other German towns--the Berlin master craftsmen accepted the subordination of the guilds to the state, as brought about by the guild reform of 1731, without much protest. The journeymen, however, slumping into the situation of wage-earners for life, vehemently and successfully fought for keeping their organizations alive, for higher wages and better working conditions.

Berlin increasingly became a city of factory workers. Their housing and places of work determined the appearance of the suburbs and of Friedrichsstadt. That also increased the poverty in the city. Crisis-ridden, factory production produced joblessness, hunger, epidemics and untimely death. Starting with riots in the gold and silver manufacture at the end of the 17th century, Berlin factory workers more and more frequently fought the consequences of exploitation and the deterioration of their subsistence. Their fights assumed increasing vehemence with the strikes of the silk factory workers in 1775 and of the cotton printers and the haberdashers in 1783. In them the crucial class opposition of rising capitalism was articulating itself.

As the feudal capital and residence town, Berlin developed into an arts and science center that eventually gained importance above and beyond the territorial state.

With the arsenal [Zeughaus] and the new palace built around the turn from the 17th to the 18th century, baroque structures of European rank arose, mainly achievements by great masters like Johann Arnold Nering and Andreas Schlueter. In 1696 the Academy of Arts and Mechanical Sciences was founded, in 1700, the Academy of Sciences, the latter on the initiative of philosopher Gottfried Wilhelm Leibniz. Along with him there was the historian Samuel von Pufendorf at the Berlin court, who had a large share in the dissemination of the anti-feudal natural law in the German territories. Under the influence from the Halle Pietists, Berlin schools for citizens and the poor developed. Though attending school had become mandatory in 1717, illiteracy was not done away with until 1850.

Under the rule of King Frederick William I (1713-1740) the cultural function of the capital suffered serious reversals from the boundless militarization of life. But they did promote medical research and the training of assistant medical officers for the Prussian army at the Charite hospital established in 1710.

Frederick II who, like some other European monarchs, practiced an "enlightened absolutism," enlivened the Academy of Sciences and appointed scientists of international rank such as the mathematician Leonhard Euler. Splendid buildings went up which to this day dominate the panorama, such as the opera, built between 1741 and 1743 under Georg Wenzeslaus von Knobelsdorff, the first structure on the splendid forum of Unter den Linden, or the building for the royal library, founded in 1661, built by Georg Friedrich Boumann Jr. between 1775 and 1780.

In the last third of the 18th century, Berlin became one of the spiritual centers of the evolving bourgeois German nation. That was the joint achievement of Berlin's German, French and Jewish citizens. That went hand in hand with the formation of the intellectual stratum as a social one. Public lectures by Academy members and new teaching institutions paved the way to founding a university. In the French comedy house on Gendarmenmarkt and in the theaters at Monbijouplatz and Behrensstrasse, German, French and English classics were performed. The vibrations from the city came mainly from the Berlin Enlightenment, the leading figures of which, together with Gotthold Ephraim Lessing, were the author and publisher Friedrich Nicolai and the philosopher Moses Mendelssohn. The spiritual forum of the Enlightenment were clubs, literary salons and societies and their organs, BERLINISCHE MONATSSCHRIFT and ALLGEMEINE DEUTSCHE BIBLIOTHEK. Though much limited by its monarchistic loyalties, the Berlin Enlightenment did breathe a critical bourgeois spirit and sought to affect broader strata of the people across some segments of the middle class. It helped pave the way to the ideas of the French Revolution.

III

At the turn form the 18th to the 19th century, Berlin entered a new phase of development. In the course of it the feudal Prussian capital and residence town, under the impact of the industrial revolution in England and the bourgeois revolution in France, and in the process of the bourgeois transformation, became the capitalist metropolis of Germany.

The French Revolution (1789-1795) found ideological and intellectual-cultural response in the Berlin middle class, especially among the intellectuals. Among the working classes and strata, mainly among the factory workers, social unrest was spreading, indicated by the strike of the weavers in the summer of 1794. Even so, Prussia's capital for the time being remained a bastion of the European counterrevolution.

The upbeat for a turn toward social progress only came from the crushing of the Prussian army, the occupation of Berlin in October 1806 by Napoleon's troops and the peace of Tilsit in 1807. They sealed the collapse of the old Prussian state and hastened the disintegration of the feudal system. The "Holy Roman empire of the German nation" ceased to exist in 1806. In that situation Berlin became a center of the patriotic movement against alien rule and anti-feudal aspirations that went with it far above and beyond Prussia. Closely linked with Berlin's history are the Stein-Hardenberg reforms of from 1807 to 1813. Their stipulations--such as the liberation of the peasants from serfdom, the reintroduction of municipal self-government, the abolition of restrictions in industrial life, the emancipation of the Jews and the reform of the army and of the educational system--started the bourgeois transformation process in Prussia. They set the crucial prerequisites for the successful War of National Independence in 1813/14. Berlin, with its first municipal assembly, elected by the propertied bourgeoisie, i.e. a small minority of the population, got a limited self-administration in 1809. In 1810, the university was founded in the capital. The best representatives of the Berlin middle class, among them patriots like Ernst Moritz Arndt, Johann Gottlieb Fichte, Karl Friedrich Friesen, Wilhelm von Humboldt, August Wilhelm Iffland, Friedrich Ludwig Jahn, Heinrich von Kleist, Adolf Wilhelm von Luetzow and Daniel Friedrich Schleiermacher, set role models through their political, intellectual and military efforts.

In the outcome of the Congress of Vienna (1815) another temporary stabilization of the semi-absolutistic-bureaucratic government in Prussia occurred. Nonetheless, the capitalist mode of production could no longer be halted. What with the founding of the first machine construction plants, like those of G. C. Freund and F. A. Egells, trade and technical associations and schools (Christian Peter Wilhelm Beuth), in Berlin also elements of the industrial revolution evolved in the 1820's. This process, that went into full swing in the 1830's and lasted till the 1870's, transformed the city into a center for capitalist factory production. It first led to the expansion of the machine construction and metal industry, evolved the clothing industry, developed transport, mainly by railroad, and led to commerce, banking and finance in entirely new dimensions.

First slowly, but since the 1860's at an accelerated rate, the natural sciences developed in Berlin, whose tie-in with modern industrial branches began to become characteristic then of Berlin's economy in the last third of the century. The medical faculty in the university became a center of natural science research and reorientation for medicine and public health. The natural sciences (Alexander von Humboldt) and medicine (Christoph Wilhelm Hufeland), philosophy (Georg Wilhelm Friedrich Hegel) and literature (Achim von Arnim, Clemens von Brentano, Adalbert von Chamisso, Ernst Theodor Amadeus Hoffmann, August Wilhelm and Friedrich Schlegel, Johann Ludwig Tieck, and then Willibald Alexis and Adolf Glassbrenner), architecture and the visual arts (Eduard Knoblauch, Christian Daniel Rauch, Gottfried Schadow, Karl Friedrich Schinkel, Friedrich August Stueler, the young Adolph Menzel), theater (Ludwig Devrient) and music (Albert Lortzing, Felix Mendelssohn-Bartholdy, Carl Friedrich Zelter), the salons of Henriette Herz and Rahel von Varnhagen, and the circle around Bettina von Arnim increased Berlin's national importance as a city of the sciences and the arts.

At Berlin University, Karl Marx studied from 1836 to 1841, first jurisprudence and then philosophy and history. Friedrich Engels took care of his military service in Berlin in 1841/42 and then audited at the university, above all philosophy courses. Both took an active part in the intellectual and political debates in the circle of the Young Hegelians and advocated revolutionary-democratic positions.

In the industrial revolution, simultaneously with the industrial bourgeoisie the proletariat formed into a class. It was made up of journeymen in the crafts and factory workers, ruined petty bourgeois and rural proletarian and peasantry strata. Many of them had moved in from towns and villages in Brandenburg and eastern provinces. That also included many Poles. Urban expansion and development made headway. The antagonism of the spreading capitalist exploiter system showed up first in the contrast between splendid villas and the first miserable blocks of apartment houses.

The formation of industrial capitalism and the emergence of the workers class went hand in hand in Berlin also with boundless exploitation, bitter mass misery, and the political and intellectual oppression of the toiling masses--including women and children. Workers, journeymen and apprentices rose in 1830 and 1835 against despotic rule and oppression and demanded liberty and a constitution. With the cotton workers strike of 1844, the first specifically proletarian class struggles and organizations surfaced: the Berlin working men's club as the first legal, the league of the just, as an illegal organization of the Berlin workers. The efforts of Karl Marx and Friedrich Engels, their establishing scientific communism and forming the Communist League, had a direct impact on the Berlin labor movement which became increasingly self-reliant and self-assured.

The bourgeois transformation in Germany reached its climax in the bourgeois-democratic revolution of 1848/49. For the first time Berlin turned into a focal point of revolutionary class struggles of national and European importance. The rebellion by Berlin workers, artisans, petty bourgeois and students on 18 and 19 March 1848 was a visible signal for the revolution in German states.

The Prussian king had to withdraw his troops from the city and bow at the palace before the ones killed in the revolution. The young Berlin workers class had met its test at the barricades as a resolute champion for democracy and social progress and suffered the biggest sacrifices. The pledge from the victims of the revolutionary struggle, among them the young worker Ernst Zinna, who were buried at the cemetery for the ones killed in March in Friedrichshain, remained alive in progressive Berlin. New Workers organizations were formed, the workers brotherhood with its leaders Friedrich Ludwig Bisky and Stephan Born and the chapters of the League of Communists, organized by August Haetzel.

Confronted with the revolutionary-democratic demands and operations by proletarian and petty bourgeois class forces, in Berlin also the bourgeoisie hid behind the shield of the Prussian military state, betrayed its own democratic principles and now sought the implementation of its class interests with the help from semi-absolutistic power organs, directed against the workers class. In spite of its defeat, the 1848/49 revolution is among the greatest progressive events in German as well as Berlin's history.

The years after the crushing of the revolution were marked, for one thing, by political reaction and the permanent efforts by the Prussian military state at repressing bourgeois-democratic and, above all, proletarian political and social movements and aspirations. On the other side, the capitalist economy developed with factories like those of A. Borsig, F. A. Pflug, L. Schwartzkopff, Siemens & Halske, and F. Woehlert. "From a stiff parade ground it has turned into the busy center of German machine building," as Karl Marx wrote about Berlin in 1859.[3] A rapid industrial upswing, the founding of new banks, the emergence of corporations and organized capital mergers in the chamber of industry and commerce, the extension of the railway, waterway and road networks, the territorial expansion of the city and its continued urbanization turned Berlin into the most important German metropolis.

Suppressed and persecuted, if unbroken, the Berlin workers class carried on its struggles for democratic rights and liberties and social progress, against police terror and bourgeois tutelage, and for having its own independent organization throughout the reactionary period. In the early 1860's the workers' clubs more and more evaded the influence of the liberal bourgeoisie which, through the Progressive Party, gained increasing influence in the city's political life. The General German Workers Association that Ferdinand Lasalle founded in 1863, the efforts of Wilhelm Liebknecht and of the Berlin section of the First International, the spreading of Marxist ideas all the way to the attendance by Berlin delegates of the Democratic Workers Society of the Eisenach Congress of the Social Democratic Workers Party in 1869, as well as the more broadly developing trade union movement, documented the upsurge in Berlin's workers movement in the 1860's. It grew strong while struggling against the "blood and iron" policy of the Prussian state and the anti-democratic inclinations of the haute bourgeoisie.

IV

With the proclamation of the German Empire in 1871 on French soil, in Versailles, Prussia's capital Berlin became the capital of the empire. All the contradictory features characterizing this bourgeois national state were reflected in its metropolis. As the seat of the imperial Prussian state authorities controlled by the Junkers' bourgeois class interests and as the largest German garrison and barracks city, it remained a bastion of German militarism. At the same time, delegates of the liberal bourgeoisie were predominant in the new city-hall, municipal council and city assembly. Particularly, Berlin profited from the elimination, by and large, of the territorial-political fragmentation and from the empire being constituted as a big capitalist power. It became its political, economic and scientific center, a city with more than one million inhabitants (1877). It became incrasingly the stage and focal point of German and international events. It gained international weight and impact.

Its new function made Berlin truly become a metropolis, not only in the sense of being a center of capitalist rule, but mainly also as a city with big industry and that meant as a city of labor and of the working class.

The rapid productive forces development that was typical of a whole number of capitalist countries in the last third of the 19th century proceeded most impressively in Berlin. That was due to the connection of capitalist factory production with transportation and communication and science and technology and showed up prominently in the new industries--electrical engineering, chemistry. foodstuffs and luxury items. Processes typical of the transition to imperialism, such as the concentration and centralization of production and capital, the growing influence of the Berlin stock exchange and the big banks--Deutsche Bank, Disconto-Gesellschaft and Berliner Handelsgesellschaft--the formation of such monopoly enterprises as Siemens and AEG characterized the Berlin economy at that time. Territories adjacent to the metropolis more and more came into the sphere of Berlin's influence, mainly through industries moving to the outskirts, which made hamlets and estates grow into towns. There began the rapid development of the western outskirts as the bourgeoisie's preferred residential area and the destruction of traditional urban districts, by creating a capitalist city with government quarters, branches of banks and insurance companies, newspapers and publishing houses, corporations and department stores, restaurants and hotels.

Berlin's capitalist development by leaps and bounds and that of its suburbs also pushed the development of the proletariat ahead which in numbers became the strongest class of the rapidly growing population. Increasingly subjected to more and more intensive forms of exploitation, it carried on in concentration, and often under the most miserable conditions, in the miserable apartment houses of Berlin East, Southeast and North, and in towns like Lichtenberg and Rixdorf (Neukoelln). The modern industrial proletariat, the skilled, politically progressive and committed, class-conscious Berlin worker, increasingly defined the city's character. As in hardly any other German big city, the antagonistic contradiction between capital and labor stood revealed here.

In dispute of principle with the military state and the haute bourgeoisie, and in the struggle for merging the Eisenachers and the Lasalleans into the Socialist Workers Party of Germany (Gotha 1875), the revolutionary labor movement became a social power factor in Berlin. It was constantly subjected to oppression and persecution. Fighting against Bismarck's anti-socialist laws (1878-1890), the Berlin workers class gained a leading position in the overall national class struggle. It achieved remarkable success in combining legal with illegal forms of struggle. Despite the notorious Prussian three-class franchise, five socialists were for the first time elected city deputies in 1883. Chaired by Paul Singer, that faction developed diversified and fruitful communal policy efforts on behalf of the Berlin working people, from which strong impulses emanated that affected all the social-democratic communal policy throughout the empire.

When the anti-socialist laws were defeated, which also constituted a triumph of the ideas of Karl Marx and Friedrich Engels, Berlin became the center of the German Marxist workers movement. The central party and trade union organs now had their seat there. Berlin's VORWAERTS became the central party organ, and Marxist literature was published and disseminated at increasing numbers. The Berlin party organization developed, through the personal dedication of August Bebel, Wilhelm Liebknecht, Paul Singer, Ignaz Auer and others, into the backbone of the revolutionary German social democracy. Since the Reichstag elections of 1887 it became the party with the strongest constituency in the imperial capital and gained mass influence in the struggle against big capital and militarism. The workers' culture developed with the Volksbuehne and the workers' education school. Berlin became the point where leaders of the international labor movement would meet. "This is the focal point of the labor movement," Friedrich Engels declared after visiting Berlin in 1893.[4] Vladimir Ilych Lenin first came to Berlin in 1895 and till 1914 was nine more times in Berlin. He studied the experiences in the struggle of the German labor movement and met with top leaders of the German social democracy. He and his fellow-comrades in producing and disseminating illegal literature for the struggle of the Bolshevik party found support from German revolutionaries.

Berlin became a city of science and technology, culture and the arts, of international rank. The idea of the "large enterprise of science," formulated at the Academy and the University, increasingly became reality in the modern institutes of the university and the technical college and, especially, at the research institutions such as the Physikalisch-Technische Reichsanstalt and later (after 1911) at the Kaiser Wilhelm Gesellschaft. In laboratories of the large enterprises of electrical engineering and chemistry a new type of industrial R&D was about to be born. With the altogether high level of its many artisan, crafts, technical schools and colleges, Berlin had won a top position in the empire and in comparison with other capitalist industrial countries.

Scientists and artists worked in the field of tension between reaction and progress, imperialist ideology and bourgeois-humanistic positions. Hermann von Helmholtz and Gustav Robert Kirchhoff, Max Planck and Albert Einstein, August Wilhelm von Hofmann and Emil Fischer, Wilhelm Julius Foerster and Walther Nernst, Rudolf Virchow and Robert Koch, Eduard Buchner, Emil von Behring and Paul Ehrlich, Theodor Mommsen and Adolf Harnack accomplished internationally significant achievements in Berlin. Outstanding literary and artistic works came from the old Theodor Fontane and the young Gerhart Hauptmann, the left expressionists around the journals AKTION and STURM, and Max Liebermann and Walter Leistikow, Lovis Corinth and Max Slevogt. Closely linked with the working people of Berlin was the work of Hans Baluschek, Kaethe Kollwitz and Heinrich Zille. With the Philharmonic and conductors like Hans von Buelow, Ernst von Schuch, Richard Strauss, later Arthur Nikisch, and the Deutsche Theater directed by Otto Brahm and Max Reinhardt, Berlin's position grew as a significant music and theater town. Entertainment, the circus and the cabaret, as well as the cinema, found a solid place in the city's cultural life. Peter Behrens, Ludwig Hoffmann and Alfred Messel placed noteworthy architectural accents on the image of the city.

The metropolis, severed by severe class antagonisms, became the feeding ground for many reform attempts by bourgeois-liberal and petty bourgeois forces. Not a few of them, for reasons of social empathy, Christian ethos or other bourgeois-humanistic motives, endorsed certain social and political demands of the workers class without recognizing it as the force that would determine the future.

When imperialism evolved at the turn of the century, Berlin became the center of German finance capital and the fulcrum of imperialist war preparations. The polarization of the two main classes of capitalist society became most striking in Berlin. Monopoly power allied itself with the imperial militarist regime. The contradictions inherent in capitalism evolved to the fullest in the "imperial city" and new ones developed as well. From its own metropolis German imperialism watched its policy of sharper reaction within and forcible expansion outside. Here the plans were made and the arms were cast for the struggle over the repartitioning of the world for the benefit of German imperialism. In its political nad ideological war preparation German imperialism relied on entrepreneur associations, bourgeois-nationalistic and junker-militaristic propaganda and mass organizations, educational and cultural institutions, members of the clergy, and influential organs of the monopolized press, equipped with modern technology, all being concentrated in Berlin.

The Berlin workers movement sponsored many operations against imperialism and the war danger, for peace and for the democratic and social rights and liberties of the toiling masses. They gathered and organized their strength and grew in breadth. Within the social democracy, which united in 1905 in Berlin and surroundings as a unified party organization, had some 120,000 members by 1914, and got 75 percent of the votes at the 1912 Reichstag elections, the proletarian and the bourgeois class lines were formed.

Berlin became the center of the German leftists around Karl Liebknecht, Rosa Luxemburg, Franz Mehring and Wilhelm Pieck. Proceeding from a revolutionary, internationalist class position, they conducted a heroic struggle against imperialism and militarism. As a Berlin city deputy, Karl Liebknecht resolutely championed the interests of the Berlin workers from 1902 till 1913. He also raised his voice for the rights of the working people in the Prussian House of Delegates (1908 till 1916) and as Reichstag deputy in the Potsdam-Spandau-Osthavelland election district (1912 till 1916).

With powerful mass demonstrations and protest actions in Treptower Park and in the Tiergarten, in the Humboldt Hain and in the Hasenheide, against the reactionary three-class franchise, against inflation and misery, the arms policy and imperialist war preparation, Berlin's workers fought against the reactionary imperial-imperialist regime. Doing so they worked together with bourgeois-pacifist forces, such as the German Peace Society, founded on Bertha von Suttner's initiative in Berlin, and with the Democratic Association. Opportunism and centrism, however, subverted the Berlin social-democratic party organization, so that the SPD had become incapable of revolutionary leadership for the workers class when World War I broke out.

World War I revealed the essence of imperialism, as deeply hostile to the people. Death and dismemberment for tens of thousands of Berliners, misery and exploitation in the bone grinders of the armaments industry, hunger and invalidism for hundreds of thousands, especially during the notorious "turnip winter" of 1916/17, on the one side, extreme profits and a brutal exercise of power by the armaments capital, on the other--that is what the imperialist war was like. The state monopoly war economy was organized right from Berlin. From no other German city, however, came such emphatic impulses for resolute struggle against the imperialist war and its active support by the right-wing social-democratic leaders. The Marxist leftists formed the active nucleus of the anti-war movement. In 1915 they joined in the "International" group, in 1916, in the Spartacus group, and organized with the revolutionary shop stewards and leftists in the USPD and in conjunction with bourgeois pacifists actions that would lead to a revolutionary termination of the war. The anti-war demonstration by Berlin women in May 1915 that Wilhelm Pieck had organized, the 1 May 1916 demonstration with Karl Liebknecht at Potsdamer Platz, and massive political strikes in June 1916, April 1917 and January 1918 amounted to high points in the struggle by the Berlin working class against rapacious imperialist war and for peace, and they sent their vibrations to all the rest of Germany.

V

The victory of the workers, peasants and soldiers of Russia under Bolshevik leadership in the Great Socialist October Revolution in 1917 initiated a new era in human history, the main content of which is the transition from capitalism to socialism. The revolutionary model of the October Revolution led in Berlin directly, through the strike of January 1918 and then through the 1918/19 November Revolution, to a deep historic caesura. The revolution had started with the rising of sailors and workers in Kiel on 3 November. Summoned by the Spartacus group, leftist USPD functionaries, and revolutionary shop stewards, hundreds of thousands of workers and soldiers on 9 November joined the general strike and armed uprising in Berlin. This became a high point in the people's revolution against imperialism and militarism and for a peaceful, democratic and socialist Germany. Workers and soldiers councils formed in factories and barracks. Red sailors formed the people's naval division. In the center of Berlin Karl Liebknecht proclaimed the socialist German republic, elucidating thereby that on German soil also the future would belong to the workers class and its allies.

The German November Revolution hastened the end of the war. It led to the overthrow of the 500-year old Hohenzollern rule and to bourgeois-democratic rights and freedoms for the people's masses. However, the haute bourgeoisie and the militarists were able to preserve the foundations of their economic and political power in different, bourgeois-parliamentary forms.

At the turn of the year from 1918 to 1919, in the building of the Prussian House of Delegates in Berlin, the KPD constituted itself as an outcome of the revolution pointing to the far distant future. This also meant a change for the Berlin labor movement in its struggle for peace, democracy and socialism. The assassination of Karl Liebknecht and Rosa Luxemburg by the militarist counterrevolution was a heavy blow for the German and international workers movement, and so also for the Berlin workers class. In spite of the bloody crackdown on the proletariat in January and March of 1919, however, Berlin maintained its role as a bastion of the revolutionary German workers movement. The legacy of Karl Liebknecht and Rosa Luxemburg has always remained alive in the workers class and all progressive forces in Berlin. It is being preserved and extended in socialist Berlin. That is attested to every year in January by the large campaign demonstration at the socialists' memorial in Berlin-Friedrichsfelde.

Among the accomplishments of the November Revolution was that it smoothed the way for forming the new municipal community of Berlin. That occurred in October 1920 by merging the previously six Berlin city districts, Mitte, Prenzlauer Berg, Friedrichshain, Kreuzberg, Tiergarten and Wedding, with another seven towns (Koepenick, Lichtenberg, Charlottenburg, Neukoelln, Schoeneberg, Spandau and Wilmersdorf) as well as 59 rural communities and 27 estates. Longtime struggles by the working class and by progressive bourgeois forces had an impact on the formation of this city of 4 million spreading beyond more than 860 square kilometers. The new political-administrative structure was based on the economic and transport region of the Berlin area, long integrated. Yet the chances for the Berliners' democratic participation expanded but insignificantly. Though in the outcome of the November Revolution the fanchise had become general and equal, many limitations imposed on the city deputies' activity under the empire continued to be enforced. Even under the conditions of bourgeois democracy, the mass of the Berlin working people remained barred from real political power.

Also in the years after the November Revolution Berlin turned out to be the focal point for far-reaching decisions in the class struggle. In putting down the Kapp Putsch and in the "Hands Off Soviet Russia" movement in 1920. during the mass protests against the assassination of Walther Rathenau in 1922, in the general strike to bring down the big capitalist Cuno government in 1932, in the plebiscite against the indemnification for the princes in 1926, and in the struggle against rearmament, approaching reaction and fascism and many other class confrontations, Berlin's workers class stood in the front rank. In the Lustgarten and in the Sports Palace, in the large assembly halls of Berlin East and in the streets of "red Wedding," mighty demonstrations of the Berlin working people ensued. In the struggle for peace, democracy and socialism, the revolutionary vanguard of the workers class, the KPD, grew strong. Led by Ernst Thaelmann and the central committee he directed, Wilhelm Pieck being directly responsible (from 1926 to 1929) for the Berlin party organization, the KPD became the Marxist-Leninist mass party of the Berlin working class. Through its struggle for united action in the working class and for the defense and expansion of the social and political rights of the toiling masses, in the struggle against imperialism, militarism, fascism and the threatening war danger, and for the defense of the Soviet Union, the Berlin party organization ripened into one of the strongest sections of the KPD. Assisted by proletarian mass organizations like the KJVD [Communist Youth Society of Germany], the RFB [Red Front Banner], the Red Aid Germany, the International Workers Aid and through active efforts within the free trade unions, the communists did much work with and for the masses. The party was able to achieve lasting successes with its labor policy when it could establish a united front with social-democratic workers and trade unionists and gain bourgeois-democratic and other antifascist forces as allies.

"Red Berlin" became a concept and a magnet for progressive forces far beyond Germany. Indefatigably, the KPD, revolutionary mass organizations, educational institutions like the Marxist workers school, progressive publishing houses like Internationaler Arbeiter Verlag and Malik Verlag, newspapers and journals like ROTE FAHNE and AIZ [ARBEITER-ILLUSTRIERTE ZEITUNG] disseminated the Marxist-Leninist ideas. They would resolutely oppose anticommunism and anti-Sovietism. The communist press, films, exhibits and lectures propagated the role of the Soviet land as the vanguard of human progress and the experiences of the victorious construction of socialism in the USSR. Berlin became a meeting place for the blossoming culture and science of the Soviet Union. In the spirit of proletarian internationalism, Berlin workers exercised solidarity with the antifascist, anti-imperialist and democratic forces in the capitalist countries and in colonial and dependent countries. Often the Berlin proletariat offered asylum to political refugees, communists, e.g., from Hungary, Bulgaria and Poland.

In view of revolutionary tremors and sharp class conflicts, and confronted with real socialism on one-sixth of the globe, finance capital at times felt compelled to make political, economic, social and cultural concessions. It combined overtly brutal government methods with a far-reaching use of opportunism to split the workers class and tie parts of it to the capitalist exploiter system in decline. The production and capital concentration and centralization being further accelerated, and with help from U.S. corporations, under the impact from revolutionary innovations in science, technology and production organization, and by way of capitalist rationalization, a relative stabilization of the capitalist system was brought about between 1924 and 1928, and the capital expanded further.

Temporarily the material standard of living of broad strata in the city population improved. A city assembly majority, since 1925, of KPD and SPD deputies, the efforts of social-democratic, communist and bourgeois-democratic communal politicians, and the efforts made by trade unions and industrial councils, cooperatives and health insurances had a share in the perceptible improvements in housing and commuting, education and public health, and youth and old-age care. Progressive architects like Walter Gropius, Hans Scharoun, the brothers Bruno and Max Taut, and Martin Wagner came out with lasting achievements in urban housing.

None of that, however, made any difference to the continuation, the further deepening, in fact, of the class antagonism of the exploiter system. The misery of the rental shacks, more capitalist pillage and suppression, and the educational privilege for a preferred minority continued to govern the working and living conditions of broad proletarian masses and other working people. Even during the boom in the business cycle production capacities were not fully used, and ten thousands of unemployed made up the reserve army of industrial capital. The hope of social-democratic forces to be able to create for all, and permanently, dignified human conditions within the framework of the bourgeois-democratic republic, i.e., without a revolutionary change in the power and property relations, turned out to have been deceptive and was fully refuted in the subsequent class conflicts.

The scientific and intellectual-cultural life also revealed the contradictions tearing the capitalist city of several millions apart. The system of the state monopoly control over the sciences reached a new height in the "German science emergency community." Coming to grips with the reactionary bourgeois ideology, also with the technology cult and the manifestations of disintegration in the capitalist culture business, bourgeois-humanistic and proletarian-revolutionary creators of culture came up with outstanding achievements that consolidated the role of Berlin as a cultural metropolis with international vibrations. This attracted Johannes R. Becher and Bertolt Brecht, Lion Feuchtwanger and Heinrich Mann, Erich Kaestner and Egon Erwin Kisch, Erich Weinert and Arnold Zweig to this city. Many of their creations, like the literary works of Alfred Doeblin and Erich Maria Remarque, Carl von Ossietzky and Kurt Tucholsky, the productions by Leopold Jessner and Erwin Piscator, the music of Hanns Eisler and Kurt Weill, the works of art by Kaethe Kollwitz and Otto Nagel, Carl Hofer and Max Pechstein, George Grosz and John Heartfield, and the work of magnificent actors and performers enriched the progressive cultural activities and--together with the agitprop art of the revolutionary labor movement--joined the legacy of our socialist national culture. Film and radio, their development in Germany having started in Berlin, became tools of imperialist mass manipulation. A little later, technical prerequisites were created in Berlin for TV.

As in the worldwide conflict between imperialism and socialism in many capitalist states the tendency toward violence and reaction that is inherent in imperialism gets stronger, so also in Germany, especially in Berlin, imperialist state power boosted its oppressive function. In Berlin, after the November Revolution, reactionary terror became especially brutal and bloody in January and March 1920 and during the bloody May of 1929. The most reactionary circles of the ruling class sought to meet the exacerbation of the contradictions of German imperialism, of the evident crisis in the bourgeois-parliamentary form of government and in the start of the economic crisis in 1929/30 by cracking down on the revolutionary labor movement and all democratic forces, and by openly setting up the fascist dictatorship.

From the beginning the KPD resolutely opposed fascism, especially also the Nazi party making inroads into Berlin, with its unequivocal policy aimed at peace, democracy and socialism. From Berlin the KPD central committee led by Ernst Thaelmann, with its "Program for the national and social liberation of the German people" (1930), the Farmers Aid Program (1931), and the Work Procurement Plan (1931), developed the alternative for the drive by German imperialism toward fascist dictatorship and another rapacious war. In the struggle to avert the devastating consequences of the crises, for the working people's social and democratic rights, and against the armaments and fascist course of the most aggressive forces of monopoly capital, and against growing chauvinism and anticommunism, the Berlin party organization of the KPD, headed by Walter Ulbricht from 1929 to 1932 and by Wilhelm Florin in 1932 and 1933, achieved impressive results. Under Wilhelm Pieck's leadership, the KPD city assembly faction defended the fundamental interests of the Berlin working people. In large strikes, like that of the Berlin metal workers in 1930, in demonstrations and rallies, in election campaigns and other social and democratic moves, the party consolidated its ties with the broad working masses in Berlin and became their recognized leader. In response to the fascist danger, growing by leaps and bounds, the KPD in the spring of 1932 called for antifascist action. Ernst Thaelmann's conference with social-democratic functionaries in the Karl Liebknecht House, the seat of the KPD central committee, and the Antifascist Unity Congress in Philharmonic Hall in July 1932, lent important impulses to the formation of the proletarian united front fighting fascism in Berlin. A climax in the struggle against heaping the burdens of the crises onto the shoulders of the working people was the strike of the Berlin transportation workers early in November. In the November 1932 Reichstag elections, nearly one-third of the Berlin voters followed the KPD, whereby it was able to maintain its position as the strongest party in the capital.

However, the united front the KPD had sought of communists, social democrats, unionists and Christians, bourgeois democrats and other enemies of Hitler, against the threatening fascist dictatorship, did not come about. Right-wing leaders of the SPD and the unions rejected joint working class action, held on to their cooperation with the bourgeoisie, and surrendered their own power positions without any struggle—as in Prussia in July 1932.

The establishing of the fascist regime in January 1933 opposed all progressive developments and accomplishments of Berlin and amounted to the heaviest reversal in the city's history. Wilhelmstrasse with the seat of the Hitler government, composed of Nazi leaders and other extreme reactionary agents of monopoly capital, became symptomatic of the open violent rule of terror by the most reactionary, chauvinist and aggressive forces of finance capital. The Reichstag fire, the murderous persecution of communists, social-democrats, unionists and other antifascists, the racist anti-Jewish boycott, anticommunist agitation and antihumanist book burning, the bloody week in Koepenick, the banning of all democratic parties and organizations, the elimination of the last bourgeois-democratic institutions, the city assemblies and city district assemblies, and the militarization and the arms buildup marked the course, especially also in the capital, of fascist German imperialism into World War II.

With bloody terror the fascists saturated the city to break any resistance against their rule and create a "stable hinterland" for the rapacious war they were planning. Notorious centers of a cruel use of violence and murders into the thousands were the Alexanderplatz police headquarters, the Gestapo and SS command posts at Prinz Albrecht Strasse, the SA torture dumps and joints, the Sachsenhausen concentration camp on the outskirts of Berlin and the Ploetzensee murder haunt.

The gentlemen at AEG, Siemens, Daimler-Benz, Rheinmetall Borsig, and Loewe and Lorenz pushed ahead the armaments production, shamelessly enriched themselves with Jewish property, and profited even by the initial aggressions of Hitler Germany against Austria and Czechoslovakia. Science and technology, education and culture now would be fostered only where it was good for the war preparations and the ideological manipulation of the people. Countless outstanding personalities were expelled from the city and from fascist Germany. Even sports and cultural events were misused for the anti-human purposes of imperialist policy, like the Olympics in 1936.

The fascists were able to mislead large parts of the Berlin population through anticommunist and anti-Soviet agitation and social and national demagoguery.

For the second time in our century Berlin, now the capital of the fascist Reich, became the springboard for imperialist aggression. Brutally fascist German imperialism would hazard the life of the citizens and the existence of the city to make its rule prevail over Europe and the world, mainly however, to destroy the socialist Soviet Union. The expulsion and killing of communist, social-democratic and other democratic Berliners, the eradication of our Jewish fellow-citizens, and the death and suffering of hundreds of thousands of men on the battlefields of Europe stand as much on the blood account of the imperialist Nazi and war criminals as do the inhuman abduction and exploitation of tens of thousands of slave laborers by the armaments monopolies and the looting and devastation of almost all European countries, especially the Soviet Union. Ultimately the war struck back, hard and pitilessly, at the city from which it had taken off. Since 1940, housing quarters, cultural structures and factories were devastated in more than 360 air raids. Some 30,000 women, men, children *and old people died in the hail of bombs.* Hundreds of thousands of Berliners then fled the city or were forced to evacuate it.

Ernst Thaelmann's warning of 1932, "Voting for Hitler means voting for war," had proven itself. Right from the first day of the fascist dictatorship, the KPD conducted a heroic and sacrificial struggle for its overthrow, for preventing and stopping the rapacious war, and for creating a peaceful German democratic republic. The Berlin party organization of the KPD and its illegal groups and the large antifascist resistance organizations around Willi Gall, Otto Nelte, Robert Uhrig, Anton Saefkow, Herbert Baum, Heinz Kapelle and Arvid Harnack, righteous social democrats like Otto Brass, Franz Kuenstler and Adolf Reichwein, bourgeois antifascists like Harro Schulze-Boysen and Christian enemies of Hitler like Dietrich Bonhoeffer and Bernhard Lichtenberg, the anti-Nazi circles around Claus Count Schenk won Stauffenberg--they all made Berlin become an antifascist German resistance center.

Antifascist resistance was part of the struggle of the peoples in the anti-Hitler coalition against their common enemy. The close cooperation by Berlin resistance fighters with prisoners and abducted from almost all European countries underscored the international character of this struggle. In heroic struggle against the terror and the devastating effects the mendacious fascist propaganda had had on most of the Berlin population, the antifascists spread the truth about the fascist crimes, organized operations against armaments and war while staking their lives on it, offered solidary help to the persecuted and the imprisoned, and sought to protect the citizens and the city against the consequences of fascist German imperialism's "total war." At the end of the war, only those antifascist forces that had fought steadfastly and under great sacrifices against Nazi barbarism and war, the communists and their party first and foremost, enjoyed the confidence and respect of the peace-loving peoples in the world. They laid the cornerstone for democratic reconstruction, for Berlin as the capital of a new and peace-loving German state. Their names, their heroic deeds and their sacrificial struggles live on as models and spurs. To them as to all fighters against fascism and war the mass demonstrations are dedicated that have been held annually in September in Berlin since 1945, which attest to the strength of the antifascist traditions in the life of the capital and its citizens.

World War II was won by the states and peoples of the anti-Hitler coalition, the forces of humanism and progress. The Soviet Union, having borne the chief burden of the war and made the greatest contribution to the crushing of fascism, ended the war in Europe with the battle for Berlin, a victory of world historic significance. From 16 April till 2 May 1945, more than 2.5 million Soviet soldiers bitterly fought against the fascist units. Over 100,000 Soviet soldiers and members of the Polish armed forces involved gave their lives for it. On 8 May, at Berlin-Karlshorst, fascist Germany capitulated unconditionally to the powers of the anti-Hitler coalition. The red flag on the Reichstag symbolized the victory over Hitler fascism and the liberation of the German people, including the Berliners, from the fascist yoke.

VI

An entirely new chapter opened in Berlin's history of many centuries on 8 May 1945. Its content is inseparable from the enormous changes in the revolutionary world process in our time. The liberation from fascism by the Soviet Union and its allies offered the German people the chance to crush the power of the monopoly bourgeoisie and the estate owners and to establish the rule of the working class in alliance with the working farmers and the other working strata.

World War II, unleashed by the most aggressive forces of German imperialism, also had brought Berlin to the edge of the abyss. The German Reich had perished in the flames of World War II; no "imperial capital" existed anymore. For the sake of their designs of conquering the world, the adventurous and anti-human forces of German finance capital had ventured the survival of Berlin and its citizens. They had plunged the city's development to an all-time rock-bottom. More than 28.5 square kilometers of the built-up city surface were destroyed. The volume of debris was estimated as between 70 and 90 million cubic meters. Berlin was among the cities that had been most heavily damaged by the war. While in 1939 Berlin had had 4.3 million inhabitants, only 2.5 million people were left in this wasteland of debris in May 1945. There was no water, no gas, no electricity. There was no public transportation. There was no food, and epidemics threatened. Many Berliners were bombed out and lived under primitive conditions. Not only a heavy material legacy had to be coped with, but also the heavy intellectual legacy of imperialist rule and the 12-year Hitler dictatorship. Helplessness and hopelessness dominated the thoughts of many, mainly of youth. Nonetheless many Berliners sensed that now, as the result of the liberation from fascism, something new had to come.

In view of such circumstances it was decisive that there were social forces--mainly of the workers class led by its revolutionary vanguard--that resolutely went ahead and swept othersalong in salvaging Berlin from the catastrophe imperialism had caused and in securing the life and future of the city and its inhabitants.

In April and May of 1945 antifascists went into action everywhere in Berlin. Communists, social-democrats, unionists and enemies of Hitler from the bourgeois camp acted as "activists of the first hour" and proved the midwives of a new life. Many of them had been freed from concentration camps and penitentiaries by the Soviet Army, other came out of the underground antifascist resistance.

In these tough days and weeks of the new start Soviet soldiers helped wherever they could. Out of their hands the Berliners received the first piece of bread of peace. The first Soviet city commandant, Col Gen Nikolai Erastovich Bersarin, and the Soviet occupation organs saw to the normalization of life and lent the Berlin antifascists a helping hand in the spirit of proletarian internationalism.

The democratic Berlin municipal council headed by the unaffiliated antifascist Arthur Werner, taking office on 19 May 1945, was a broad antifascist-democratic coalition under working class leadership. There worked together in it communists like Karl Maron and Otto Winzer and the social democrat Josef Orlopp with the former Reich minister Andreas Hermes, the surgeon Ferdinand Sauerbruch, the architect Hans Scharoun, and Pastor Heinrich Grueber. The first measures of the new city administration pertained to the resumption of urban transportation and of production, the denazification of public institutions, the banning of entrepreneur associations, the closing of the large banks, and the forming of new police and justice organs.

The beginning of the new era was tough. With their bare hands workers dragged machines out from under the rubble and restarted the economy. Unforgettable merits were acquired by the many women clearing the rubble as they removed, for scanty provisions, and in wind and rain, the material residue of the Nazi regime. Amidst the ruins there began the struggle for the spiritual rebirth of our people, the soil being prepared for the blossoming of humanistic German culture, for the unbridled spreading of the ideas of scientific communism and of all the treasures of world culture.

At that turning point it was the progressive forces of the German people, mainly the representatives of the workers class, who saw Berlin as the capital of a new, democratic and peaceful Germany and acted accordingly. Berlin became the point of departure for fundamental social changes. From here, the KPD Central Committee, in its 11 June 1945 appeal, pointed out the goal and the course for it to the workers class and all working people: Surmounting imperialism, enforcing an antifascist-democratic transformation opening into the transition to socialism. "No repetition of the 1918 error! An end to splitting the creating people!" This is what the KPD demanded. "Never again agitation and hostility against the Soviet Union; as wherever that agitation surfaces, there imperialist reaction raises its head!"[5]

In harmony with this orientation, the Berlin KPD Bezirk organization, initially directed by Ottomar Geschke and thereafter by Waldemar Schmidt, undertook great efforts to bring about united action in the workers class and a broad alliance of all antifascists.

On the platform the KPD proposed, broad political forces united for a definitive settling of accounts with imperialism and militarism and a fundamental antifascist-democratic renewal. The action accord between KPD and SPD of 19 June 19 1945, the appeal for setting up free trade unions, of 15 June 1945, which became the birth certificate of the Free German Trade Union Federation (FDGB), and the forming of the block of antifascist-democratic parties on 14 July 1945 initiated this course of development, Berlin setting the example and taking the lead. From Berlin also came the call for setting up a unified antifascist-democratic youth movement, which in March 1946, under Erich Honecker's direction, led to the founding of the Free German Youth (FDJ).

The Potsdam Conference of the chiefs-of-government of the USSR, the United States and Great Britain, from 17 July to 2 August 1945, resolved to eradicate German militarism and fascism by their roots and transform Germany on a democratic and peaceful basis within the framework of a European order of peace. So the Potsdam Agreement conformed to the interests of all peace-loving peoples. In the spirit of this agreement and to implement it, late in July of 1945 an Allied Control commission for Germany started its work in Berlin, with the states that had taken part in the Potsdam Conference and France having a seat on it. Its function was to ensure the uniform implementation of the provisions in the Potsdam Agreement on the denazification and the establishing of peaceful and democratic conditions in all of Germany.

In this connection, in the summer of 1945, troops of the three western powers entered the occupational sectors of Berlin assigned to them, and an Allied Kommandatura for the city of Berlin was set up. That U.S., British and French troops took part in the occupation of Berlin did not affect Berlin's being in toto part of the Soviet zone of occupation nor the Soviet Union's right of controlling all transit routes from and to the western sectors. The western powers had assumed the obligation, according to the Potsdam Agreement and other allied resolutions, to implement democratic measures in their sectors. Yet they soon abandoned that course and engaged in practical steps that were diametrically opposed to the essence of the allied agreements and the will of the peoples for firm guarantees against a return of German imperialism and militarism. The fact is that there never was a special "4-power status of Berlin," apart from the substance and goals of the Potsdam Agreement.

In the fall of 1945 the initiative was taken in Berlin to get set directly for the political-organizational unification of the KPD with the SPD. In all parts of the city, in enterprises and institutions as in the residential areas, the will to unity in the working class broke through tempestuously. In many events sponsored by the workers parties as well as the trade unions, the vast majority democratically advocated the merger.

That upset the imperialist reaction which, in spite of its crushing defeat, still had considerable political and ideological influence and, moreover, was encouraged and actively promoted by the imperialist occupation powers in West Berlin and the western zones. The reaction was well enough aware that through the revolutionary unification of the workers class its own old power positions could never again be recovered. With the help from opportunistic SPD leaders who were against the merger, through pressure, anticommunist agitation and fraudulent promises, the imperialist forces did manage to dissuade a considerable sector of the SPD members in Berlin, mainly in the western sectors, from the merger. Yet that could neither stop the fusion of the Berlin KPD and SPD party organizations on 14 April 1946 nor the founding of the SED as such.

When on 21 April 1946, at the unification congress in what was then the Admiralspalast in the center of Berlin, Wilhelm Pieck shook hands with Otto Grotewohl, the fateful split of the workers class in East Germany was over and its unity on a revolutionary foundation had become an irrevocable fact. In the SED there arose that Marxist-Leninist vanguard that the workers class needs to fulfil its historic mission and carry out the transition from capitalism to socialism. On its banner also stood the demand for reconstituting the unity of Germany as an antifascist-democratic republic with Berlin as its capital. As history has taught us, the SED saw to setting up the kind of conditions that would make another war emanating from German soil impossible forever.

Since the early summer of 1945, the antifascist-democratic transformation had been introduced in all of Berlin with a resolute participation by the first municipal council. But now, that got stuck here, however. The imperialist western powers openly started the break the Potsdam Agreement. In the western sectors they prevented war criminals and corporation bosses from being punished and deprived of their power. Antifascists were removed from administrations and the police, and a consistent denazification was averted. By their separate acts in violation of international law, the western powers transformed the sectors they had occupied into a counterrevolutionary interference center against the peaceful efforts of the working people and the revolutionary transformation in the Soviet zone of occupation. They made use of the fact here that, in the outcome of the October 1946 elections, a majority of haute bourgeois and right-wing SPD politicians controlled the city assembly and the municipal council.

Yet the workers class and all democratic forces, with solidary help from the working people in the other sectors of the Soviet zone of occupation, and through bitter disputes, gradually managed to turn back the reactionary influence on the political life in Berlin's Soviet-occupied sector. With active assistance from the Soviet Union and in fulfilment of the Potsdam Agreement, demilitarization and denazification were rigorously carried out here. The property of the trusts and monopolies, of the Nazi and war criminals, sequestered on orders from SMAD [Soviet Military Administration in Germany], was put together under a "German Trusteeship" in April 1947. Some former armaments enterprises were converted into Soviet stock companies (SAG's). That saved decisive economic sectors from the grip of monopoly capital. Here the influence of the workers class and the trade union codetermination right managed to prevail.

The living conditions of the working people continued to be tough. The provisioning of the Berlin population hovered around the lowest limit of the subsistence minimum. Hunger and miserable housing, the Black Market and hoarding were the order of the day. Nevertheless, the rigorous struggle for what was new, for reconstructing Berlin, more and more characterized life. Together with the Soviet occupation power, the forces willing to rebuild sought to mitigate, step by step, and finally relieve the worst misery. To recruit women of all classes and strata for it was the goal of the DFD [Democratic Women's League of Germany], which was founded in March 1947.

Also the democratic school reform made headway in the Soviet-occupied sector of Berlin. The elimination of the educational privilege for the exploiter classes was initiated, and for the first time in the history of Berlin the working people were given unbridled access to science, education and culture. Thousands of new teachers, most of them stemming from the working class, did well in their schools. Berlin University had already been reopened early in 1946. Soon they started preparing young people of working class origin for academic studies.

Here and in the Academy of Sciences, which also resumed its activity in 1946, scientists like Robert Alt, Theodor Brugsch, Serge v. Bubnoff, Heinrich Deiters, Johannes Dobberstein, Heinrich Franck, Walter Friedrich, Victor Klemperer, Helmut Kraatz, Alfred Meusel, Wolfgang Steinitz, Walter Stoeckel, Johannes Stroux and Erich Thilo laid the essential foundations for a blossoming of science in service to peace and social progress.

In the Cultural League for the Democratic Renewal of Germany, with its first president Johannes R. Becher, those forces came together that had preserved their socialist, antifascist-democratic and humanistic persuasian through the time of the darkest reaction or were ready to draw conclusions from their bitter experiences in the fascist period. Like Bertold Brecht and Helene Weigel, Anna Seghers, Hanns Eisler, Ludwig Renn, Erich Weinert, Friedrich Wolf and Arnold Zweig, many others returning from their antifascist exile found their places of work in democratic Berlin.

When in late 1947 imperialism pushed its Cold War against socialism, Berlin became a focal point of the worldwide class conflict. Still the consequences of the rapacious fascist war were deplorably noticeable everywhere, and already the most aggressive imperialist forces used their positions in the western sectors to advance their policy of rolling back socialism. Under SED leadership, the most aware sectors of the workers class and of the other working people were opposing this dangerous development that once again threatened the peace. On SED initiative, there arose the people's congress movement for unity and just peace. Hermann Matern and Karl Litke, the regional SED organization chairmen, passionately championed a democratic and peaceful development in all parts of the city. But imperialist reaction responded by restoring imperialism in the western sectors and by splitting them off to be able to turn them into a deployment area for their aggressive policy against socialism.

Induced by the imperialist western powers, a currency reform was undertaken in the western zones on 20 June 1948; a little later, the separate currency introduced with it, pegged to the dollar, was carried over, in violation of allied agreements, into the western sectors. Thereby the imperialist western powers, hand in hand with German monopoly capital, fully destroyed the historically grown economic relations. With the provocative extension of the separate currency reform to the western sectors and the splitting of the 4-power administration, the imperialist occupation powers divided the city.

In September 1948 the reactionary majority of the city assembly moved from the new city-hall in Parochialstrasse into the British sector. Most of the municipal council members followed in October 1948. Something similar happened in the communal authorities. The splitters did not even shrink from tearing apart the municipal transportation, electrical energy, gas and water supplies and the refuse collection. Thus West Berlin got a separate administration in December 1948. What had been historically grown over 700 years, imperialism unscrupulously tore apart.

To limit the effects of this imperialist cleavage policy on economic construction in Eastern Germany and the life of the working people in democratic Berlin, it was necessary to resort to protective measures. The lie of an alleged "blockade" which imperialist propaganda then and later deliberately whipped up cannot alter the fact that the USSR and Berlin's democratic forces submitted generous offers for supplying the western sectors and demonstrated their willingness to negotiate. The imperialist forces, however, countered that by their provocative "air lift" operation. That turned out to be a trick of political blackmail against the USSR, a grand-style peace-endangering maneuver and, with it, worthwhile profitable business for the concerns. Under the aegis of a wild anti-Soviet agitation, the most aggressive imperialist circles were about to set up their NATO pact in April 1949, prepare plans for using atomic bombs against the Soviet Union, and complete the creation of a separate West German state and the splitting off of the western sectors.

The splitting of Berlin as of Germany was the work of the imperialist western powers and of the German monopoly bourgeoisie aided by right-wing SPD leaders. That policy had been carefullly planned and was carried out step by step. The setting up of a separate Kommandatura for West Berlin in December 1948 and the imposing of a "Small Occupational Statute" in May 1949, which after several revisions is still valid today, meant the irrevocable end of the allied control and occupation regime agreed on in 1944/45. The intention of incorporating West Berlin within the FRG that was founded in September 1949 foundered against the objection from the USSR, forcing the western powers to suspend all relative constitutional provisions in the FRG and West Berlin. All the more did the imperialists put up funds and capacities in turning West Berlin into a "frontal city" of their Cold War against the democratic conditions the working people in the Soviet zone of occupation had created under great sacrifices. In the western sectors the chance created by the liberation for a fundamental renewal in the sense of antifascism, peace and social progress, in the spirit of Berlin's best traditions, was nullified. For many years this West Berlin, as created by imperialism, remained a powder keg and persistent burden in international relations--for the detriment of its inhabitants as of all peoples in Europe.

But where, under the leadership by the workers class and its party, the capacity of the Berliners could unfold freely, imperialist reaction could not once again stop, let alone turn back, the wheel of history. The city's democratic forces dealt imperialist reaction the appropriate rebuff. On SED initiative, on 30 November 1948, a new democratic municipal council of Berlin constituted itself, with Friedrich Ebert as burgomaster. Nearly a half million Berliners cheered that step the same day in one of the largest mass demonstrations in those years.

Now there was the chance to complete the work that had been started with the liberation. Picking up the accomplishments of the first postwar municipal council, the new city administration made sure the antifascist-democratic transformation would continue. The laws promulgated already in 1947, on the expropriation of trusts and on a democratic school reform, sabotaged by the imperialist western powers and the splitting city council, were made to take effect at once. In Berlin too, a people-owned sector of industry and agriculture was set up. Through a large solidarity operation the working people in the regions of what was then the Soviet zone of occupation assisted the Berliners.

VII

On 7 October 1949 the GDR was founded in Berlin. In a gigantic demonstration on the tradition-rich street Unter den Linden, on 11 October, FDJ deputies from all parts of the young republic and hundreds of thousands of Berliners cheered the new state and its top representative, the workers' president Wilhelm Pieck. During the torchlight parade of youth, Erich Honecker pronounced the "pledge of youth" to the new state. For the first time in German history a state had been created that would embody the interests and will of the working masses and declare peace, not war, and peoples' friendship, not hatred, its program.

In those historic October days of 1949 was fulfilled for Berlin what the best forces of the people, mainly the revolutionary German workers movement, had long been fighting for. Whereas the German empire in 1871 had been proclaimed on foreign soil, the bourgeois republic in 1919 had been baptized, for fear of the revolutionary workers movement, in Weimar, and the imperialist splitters in 1949 had withdrawn to Bonn on the left bank of the Rhine to proclaim the FRG there, the founding of the German workers and farmers state took place in Berlin, amidst the Berliners. Into reality was turned Ernst Thaelmann's conviction that Berlin would become the "chief center of the German revolution." From the haunt of German imperialism and militarism, the emblem for imperialist oppression and war, Berlin rose up to be the capital of the GDR, the first socialist and peace-loving state on German soil. This function of Berlin as a capital has many deep historic roots and is linked with many great traditions in German and Berlin history.

In conformity with the Constitution the GDR's top political organs took their seat in Berlin. From here the Marxist-Leninist working class party has shown and is showing the whole country its course and goal. Where once deadly imperialist enemies of the nation switched the levers of power and pursued their goals, hostile to the people and to peace, now for four decades we have been engaged in a policy of socialism and peace, a policy for the well-being of the people and the interests of the working class and all working people.

Through establishing the workers and farmers power the unified revolutionary process grew from the antifascist-democratic transformation into the socialist revolution. When the objective and subjective conditions had become ripe for it, the Second SED Conference in July 1952 was able to decide to lay the foundations of socialism in all sectors of society according to plan. "Who--whom," socialism or capitalism, that was the question the workers class and its allies would decide for themselves through bitter struggles against internal and external class enemies. Led by the SED organization in the capital, directed in the 1950's and 1960's by Hans Jendretzky, Alfred Neumann, Hans Kiefert and Paul Verner, the Berlin working people with elan started to lay the foundations of socialism in the state and the economy according to plan. Picking up the results of the 1949/50 Two-Year Plan, the first five-year plans in Berlin mainly started developing beyond the prewar status the most essential industrial branches of electrical engineering and machine building and got going on the systematic socialist construction of the capital. The proportion of the people-owned sector in industrial gross production rose from 47 percent in early 1949 to 92 percent in 1961. Early in 1954 the USSR also handed over to the GDR in Berlin the last SAG enterprises. People-owned large-scale Berlin enterprises, like the Berlin-Treptow Electro-Apparatus Works, the Oberspree Cable Works, the Karl Liebknecht Transformer Works, the Berlin Brakeworks, Bergmann-Borsig, the 7 October large crane construction plant, and many others attested to the industry and capabilities of the workers, technicians and scientists far beyond the borders of the republic. At that time, various forms were developed with success to attract working farmers, craftsmen, retail merchants and private entrepreneurs to deliberately participating in the socialist transformation.

Penetrating changes took place within the working class. Having become the ruling class from a previously suppressed class, it ripened to become the recognized leading force of society under the leadership by its Marxist-Leninist party.

In the people-owned enterprises the most progressive workers increasingly assumed their responsibility as the owners of the means of production. Through good labor organization and improved labor methods, they increased the labor productivity which had initially been very low. One of the first Berlin activists was the furnace bricklayer Hans Garbe from today's VEB Elektrokohle Lichtenberg. Many workers and collectives followed him. The activists' and competition movement, which became very broad after being founded in the GDR, demonstrated the breakthrough to a new, socialist work attitude.

In its exercise of power the working class party relied on its political alliance with all parties and mass organizations in the Democratic Bloc and the cooperation with all classes and strata, with citizens of the most diverse origin, activity and ideology, within the framework of the National Front. That also became apparent in the work of the democratically elected city deputy assemblies and the eight city district deputy assemblies. The new socialist democracy, superior to any bourgeois parliamentarianism, kept developing its advantages more and more also in the capital. Under the slogan "help plan, work, govern!" tens of thousands of Berliners, in standing commissions of the people's representations, as block and building spokesmen, in social and housing commissions, parents advisory commissions and other bodies, assumed various volunteer functions. Christian fellow-citizens became more and more active in the National Front movement.

The Berlin working people who had seen their city plunge into piles of rubble in the nightly bombings of World War II would now grab the pickaxe and shovel to erase, step by step and through laborious efforts, the scars of the imperialist past from the city's stone facade. Under the slogan "for Berlin's construction," the SED Central Committee, whose general secretary Walter Ulbricht became in 1950, on 25 November 1951 appealed to the population to rebuild the capital destroyed by the war, by making it more beautiful and spacious than it had been before. Within the scope of NAW [national reconstruction work], tens of thousands of reconstruction helpers tackled the clearing and beautification of their city. With the whole republic participating, between 1951 and 1956 the first construction sector of the Karl Marx Allee was put up and so were many cultural and sports facilities. Tierpark Friedrichsfelde also, a treasure especially close to the heart of nature-loving big city dwellers, was built up by many reconstruction helpers.

Simultaneously, Berlin workers, technicians and scientists helped on many large construction sites of the young republic create the material-technical foundation for our socialist state, in the VEB Eisenhuettenkombinat Ost, the VEB Schwarze Pumpe Combine, in Leuna and Schwerdt and in Rostock's overseas port.

To protect the work of reconstruction, many Berliners, mainly young people, joined the worldwide peace movement, which had been generated as a response to the imperialist policy of aggression. The Germany meetings of the FDJ at Pentecost in 1950 and 1954 and the Third World Festival of Youth and Students in August 1951, sponsored by the FDJ in Berlin under Erich Honecker's direction, were high points in the peace struggle and of international solidarity in that era so full of tough class struggle and revealed to the peoples a new Berlin, freed from the blemish of imperialism and nationalist agitation. Berlin's population endorsed the Stockholm appeal for banning nuclear weapons and other worldwide actions in support of preserving and securing peace.

Under the conditions of the socialist revolution, Berlin placed its rank as a city of science and culture onto new foundations. In the 1950's there evolved in the city, along with the university which since 1949 has borne the names of the brothers Humboldt, and with the Academy of Sciences, new research and training institutions like the Academy of the Arts (1950), the Academy of Agricultural Sciences (1951), the Building Academy (1951), the College for Economics (1950), the College for Music (1950) and other colleges and institutes. Berlin started introducing gradually the 10-grade general education polytechnical secondary school. That went together with a speed-up in building new schools. In continuing proletarian traditions, more and more girls and boys received a youth consecration.

Berlin's fame as a theater city was substantiated in a new way. Bertolt Brecht's drama productions by the Berliner Ensemble and Walter Felsenstein's realistic music theater at the Comic Opera became world-famous. The German State Opera and the Volksbuehne in 1954/55 reoccupied their houses rebuilt in their old beauty. Fritz Cremer, Heinrich Drake, Max Lingner, Arno Mohr, Otto Nagel and many other painters, sculptors, graphic artists and draftsmen were at work in the city. When between 1955 and 1958 the cultural treasures of the museum island the Soviet Army had saved, the Pergamon Altar included, returned, Berlin also got back its previous world rank as a museum city. Berlin Festivals were first held in October 1957. Considerable funds were spent on restoring and maintaining valuable monuments in the capital.

The Soviet Union and the other socialist countries helped in many ways in our overcoming internal difficulties and defending against threats from the outside. Friendly relations developed between Berlin and Moscow. Close bonds also were established with Warsaw, Prague and other capitals of socialist countries.

The GDR-USSR relations treaty of 20 September 1955 strengthened the GDR's international position as a sovereign socialist state and explicitly confirmed the position of Berlin as the capital of the GDR. Attempts by the three western power and the FRG, to demonstrate a so-called 4-power status for all of Berlin, were blocked for once and for all.

The 1950's were years of hard work and many deprivations. Disproportions in the economy, left behind by capitalism and the fascist rapacious war and intensifying the imperialist cleavage policy, had to be surmounted, and many contradictions and problems pertaining to the transition period from capitalism to socialism had to be resolved. In struggling for having the socialist production relations win out, socialist cooperative work developed. Among the first brigades obeying the motto: "We want to work, learn and live socialistically" were youth brigades of the VEB Berlin-Treptow Electro-Apparatus Works and the VEB Berliner Gluehlampenwerk.

With the transition to industrialized construction methods after 1957, housing construction made headway. Larger new construction blocks went up at Karl Marx Allee between Strausberger Platz and Alexanderplatz, in the Heinrich Heine district, at Plaenterwald and in Koepenick. For the health care for the citizens and the protection of mother and child, for preschool and popular education and for taking care of the veterans of labor, more and more funds were made available year after year, allocated from the state and city budgets.

Under party leadership the Berlin working class learned to protect its peaceful work of construction against hostile assaults, weapon in hand. Doing so, it carried on, under altered conditions, the revolutionary traditions of "red Berlin" and of the antifascist resistance movement. It was more than a symbolic act for the former Prussian artillery barracks on the Kupfergraben, in which the cofounder of Marxism had taken care of his military service in 1841/42, to be awarded the obliging name of "Friedrich Engels Barracks" of the National People's Army of the GDR.

With its "roll back" strategy, of forcibly rolling socialism back, imperialism threatened the peace and security in Europe and the rest of the world. The remilitarization of the FRG and its joining NATO in 1955 and the development of West Berlin as a center of revanchism and of economic warfare against socialism, as a turntable for espionage and psychological warfare, were the corner-stones formed for it. Unabashedly they called West Berlin the "cheapest atom bomb" in NATO circles. From there the most aggressive imperialist forces assembled three times to liquidate the workers and farmers power in the GDR. Each time they got the rebuff they deserved. On 17 June 1953, the GDR working class and its armed organs together with the Soviet armed forces stationed in the republic crushed a counterrevolutionary putsch attempt. In the fall of 1956, the combat groups of the workers class resolutely opposed provocations staged by West Berlin for the purpose of subverting the socialist state power. When in the summer of 1961 the imperialist economic warfare against the GDR had reached a climax and the NATO and Bundeswehr command was preparing variants of a blitzkrieg and of a "limited war" against the GDR and other socialist states, the GDR's working class under arms foiled those aggressive plans as well. The protective measures of 13 August 1961, fully backed by the states in the Warsaw Pact, saved the peace under threats in that the GDR borders were reliably secured. After the founding of the GDR this was the heaviest defeat the proponents of the "roll back" strategy had to accept. Their wishful dream of entering through the Brandenburg Gate with flying banners had evaporated into nothing. Vindictive agitation against the GDR's national border still serves the enemies of peace and socialism today in covering up the fiasco their "policy of strength" suffered in August 1961. Meanwhile many politicians, even in capitalist states in Western Europe and on other continents, have acknowledged the fact that the protective measures taken in good time there by the GDR defused a powder keg and made peace more secure on the European continent.

VIII

Protected by secure borders with West Berlin, there also were more favorable conditions in the GDR capital after 1961 for tackling new objectives. After the tasks in the transition period from capitalism to socialism were, by and large, resolved, the working class party now became oriented to constructing socialism comprehensively. From Berliner VEB Elektrokohle Lichtenberg there came an appeal in September 1961 for a production rally, for an initiative of the workers class and the other working people that would embrace the entire republic, so as to make up for the planning backlogs caused by the complicated class struggle situation in 1960/61 and balance out the economic losses caused by the economic warfare by the imperialists. According to conservative estimates, the GDR in the time of the open border had suffered a damage of more than M 150 billion from the economic aggression of FRG monopoly capital.

In the course of the 1960's Berlin experienced a significant upsurge as an industrial location and an intra-regional services and traffic center. New enterprises were set up, others got modern technical equipment. The capital's industrial production in 1962 for the first time surpassed M 5 billion. More and more the tasks of socialist rationalization and of coping with scientific-technical progress became the focus of the economic management activity by the working class party and increasingly determined the socialist competition, organized by the FDGB. Through initiatives such as "Our enterprise must no longer live at the expense of others," which originated in the VEB Funkwerk Koepenick in 1966, Berlin workers became pace-setters for the entire republic. On a priority basis those industrial branches were being developed that would contribute to a rapid enforcement of scientific-technical progress, such as electronics, measuring and control techniques and the construction of scientific devices. When KWO [the VEB Oberspree Cable Works] were set up, the capital's economic structure began to change.

In the course of the CEMA countries' international socialist division of labor, the relations with the Soviet Union intensified. Since 1964, when the first official delegation of the Berlin SED organization visited Moscow, the bonds of friendship between the two metropolises and their working people kept becoming closer and more fruitful all the time. More and more frequently trade union and FDJ friendship trains arrived at the Moskwa where work collectives from large-scale enterprises, scientists and creators of culture would exchange experiences with one another.

Economic successes facilitated improvements in the working people's living conditions. The Berlin working class with its production achievements helped make it possible for the 5-day workweek to begin in August 1967 throughout.

The consolidation of the socialist order went hand in hand with advances in culture and education and the winning out of new modes of thinking and conduct, appropriate to socialism, among many Berliners. In compliance with the law on the uniform socialist educational system, as early as in 1970 already 91.5 percent of all school-age children in the capital attended the 10-grade general education secondary schools. That led to a higher level of vocational, university and college training. Proposed by the SED and the FDGB, a broad study movement in Marxist-Leninist basics developed, including Marxist political economy and the history of the workers movement, which gave many working people access to understanding the cardinal issues of the socialist revolution and of the world historic process. How deeply the idea of anti-imperialist solidarity had become rooted could especially also be seen in the ample support granted the Vietnamese people fighting against U.S. aggression. The peace struggle, international understanding and socialist construction also informed the artistic creations of many writers, theater people, musicians, painters and sculptors in Berlin.

The Berliners and the ever more numerous guests of the capital would joyfully take advantage of the expanded excursion and recreational areas in the green belt encircling the city. The capital also became a physical culture and sports center in the GDR. Already in the 1950's modern sports arenas had been built, such as today's stadium for world youth, the Friedrich Ludwig Jahn Sportpark, and the Karl Friedrich Friesen swimming stadium at Friedrichshain. With Berlin's sports forum in the Weissensee city district, competitive sports got new training and championship facilities in the 1960's.

Through the 1968 university reform, Humboldt University and the other universities and technical schools in Berlin, in research and teaching, increasingly adapted themselves to the new requirements of the economy and the society at large. In 1970, more than 36,000 students were engaged in full-time and evening studies and correspondence courses, more than 17,600 of them at Humboldt University. The Academy of Sciences of the GDR began to develop into a socialist research institution in which basic and applied research would purposefully serve the efforts of coping with practical demands. Most generously subsidized were the natural science research facilities of the Academy at Berlin-Adlershof and the medical institutes in Berlin-Buch.

In the 1960's, the outer appearance of the city began to change visibly. The rebuilding of significant monuments and places of culture on both sides of the historic boulevard Unter den Linden was completed. Around the new TV tower on Alexanderplatz, the capital got a modern, attractive, unique center at the 20th anniversary of the founding of the GDR. In all boroughs new housing blocks went up. Between 1961 and 1970 a total of 70,348 dwelling units were completed, 58,608 of them being new ones. The role models of many best workers encouraged the industry of the Berlin construction workers. Under the motto, "A prettier capital for us--join-in!" thousands helped on a volunteer basis improve the housing and living conditions.

Socialist state power had consolidated also in the capital. The city-kreis-assemblies and the city-district-assemblies, the municipal council, since 1967 headed by Herbert Fechner, and the city-district councils in their social and political composition reflected the new socialist class structure and the firm alliance between the working class party and the other bloc parties--DBD, CDU, LDPD and NDPD--and the mass organizations.

IX

The GDR's political, economic and cultural development in the early 1970's also presented Berlin with new tasks that had to be resolved. In Berlin's Werner Seelenbinder Hall, the delegates to the Eighth SED Congress in June 1971 adopted the strategy for the shaping of the developed socialist society in the GDR. In the SED Central Committee report to the party congress, Erich Honecker, having been chosen by the Central Committee to be its first secretary on 3 May 1971, explained the need to implement as the principal task the further elevating of the people's material and cultural standard of living, based on a high rate of development in socialist production, higher efficiency, economic-technical progress and growth in labor productivity.

This course of unified economic and social policies has borne rich fruit in the 15 years since then. In Berlin also, all sectors of public life benefited from it. Never before in history have the looks of the city and the Berliners' working and living conditions changed for the good as pervasively and permanently as during the implementation of the principal task policy, relying on the efforts and diligence of all citizens, as resolved by the eighth party congress.

The eight party congress resolutions met with strong approval from Berlin's inhabitants, as they did everywhere else in the country. Mobilized by the working class party, they faced the new requirements. Relying on the production, science and educational potential created since the 1950's, since the early 1970's collectives of socialist industry and agriculture with increasing purpose and growing success addressed the new tasks of socialist intensification.

For Berlin and the Berliners, the 1973 decision made by the Central Committee, to implement a complex housing construction program as the centerpiece of its sociopolitical program was of the greatest consequence. In the working class and among all working people the realization deepened fast that good work done pays off in socialism and produces results immediately noticeable to everyone. That was brought about after many clarifying debates about an individual's coresponsibility for strengthening socialism and safeguarding peace.

In struggling for the implementation of the general line of the SED, the Berlin party organization excelled as the vanguard of the working class and the other working people in the capital. Konrad Naumann was the first secretary of SED Bezirk Management from 1971 to 1985. After the 11th SED Central Committee session in November 1985, Guenter Schabowski was elected first secretary of Bezirk Management.

The peace offensive of the community of socialist states, which brought positive changes in Europe in the early 1970's, strengthened the GDR's international position and also heightened its capital's international radiation. Closely affiliated with the USSR and the other fraternal socialist countries, the GDR proved a reliable peace state from the capital of which impulses constantly emanated for detente and international cooperation. The GDR's UN membership and its establishing diplomatic relations with 100 states by the end of 1973 attested to the definitive collapse of the imperialist blockade against the workers and farmers state and its capital. New embassies and diplomatic and trade missions were set up. State visits, international conferences, congresses and solidarity operations underscored Berlin's growing international reputation.

High points in the struggle for peace at that time were the 10th World Festivals of Youth and Students in 1973, rallies against the counterrevolutionary putsch in Chile in 1973 and the World Congress of Women in 1975. Perspectives reaching into the far distant future were added to the traditional friendship and cooperation between Berlin and Moscow by the USSR-GDR friendship, cooperation and mutual assistance treaty signed in October 1975. They were expressed by the Berlin Days in Moscow and the Moscow Days in Berlin, by more collaboration between party organizations in the capitals, by friendship visits and contracts between enterprises and institutions. The capital's municipal council, headed by burgomaster Erhard Krack since 1974, maintains communal relations with 39 capitals all around the world.

With the signing of the Quadripartite Agreement on West Berlin in September 1971 and the effort to implement it a hot spot of international conflict was defused, on the Soviet Union's initiative. The agreement unmistakably makes clear that West Berlin, as in the past, is not a part of the FRG and will not be governed by it in the future either. Whenever revanchist forces seek to subvert that agreement, the GDR, together with the Soviet Union and all states in the socialist community, has opposed it and is opposing it rigorously. The coordinated constructive peace policy of the socialist countries includes the development of peaceful coexistence relations between the GDR and West Berlin. They conform to the peoples' demanding peace and security as it also conforms to the properly understood interest of the citizens of West Berlin.

In the newly built Palace of the Republic in the center of Berlin, in May 1976 the ninth party congress issued the new SED Program. In it the SED set the goal of continuing the shaping of the developed socialist society in the GDR, whereby to create fundamental prerequisites for the gradual transition to communism. That amounts to a process of penetrating political, economic, social and intellectual-cultural changes. As part of this auspicious objective the program sets the task of devoting special attention to the development of the GDR capital. Continuing a tradition of the revolutionary German workers movement, a strategic importance is thereby attributed to constantly strengthening the positions of the workers class and of socialism in the capital.

Fulfilling the resolutions of the Ninth SED Congress was most closely linked in Berlin with the implementation of the Berlin Program. That was issued by the SED Central Committee Politburo in February 1976, for the development of the GDR capital till 1990. This program had been prepared on the initiative from Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, and was presented by him in March 1976 to the 12th SED Berlin Bezirk Delegates Conference. Thereby, a far-reaching orientation had been given for the GDR's socialist capital. Through it, the development of Berlin became more than ever the business of the entire republic.

In the tradition-rich workers' city of Berlin, the workers class, led by the SED, in the 1970's confirmed its role as the political force in the exercise of power and the proprietor of the decisive enterprises and means of production. In the main field of the socialist revolution and the class struggle--the economy--it constantly produced new creativity. The ten Berlin best workers conferences attested and are attesting to the will and ability of the working people in the capital to make their contribution to the implementation of the principal task. Initiatives born in Berlin, "each supplies each with quality," from the VEB NARVA Combine, Berliner Gluehlampenwerk, or "each every day with a fine balance-sheet" from the Hans Kiefert youth brigade in the Berlin VEB underground construction combine swept the whole republic as mobilizing economic activities. The activity of Berlin's workers' youth was underscored by the upsurge in youth brigades, of which there were almost 3,000 by 1984.

To implement the Berlin Program, the reconstruction of the city has continued since the mid-1970's purposefully and with higher speed and with the strength of the whole republic behind it. Since September 1976, youth brigades from all the bezirks in the GDR have been working on socialist construction priorities in Berlin within the scope of the "FDJ Berlin Initiative." There are today over 20,500 FDJ members from the bezirks who, together with their Berlin colleagues, are working in the city. The construction of the new city district Berlin-Marzahn was started. Housing construction made ever faster headway. Implemented at the same time also were significant construction projects for the development of traffic and supplies, health, education and culture. New hotels and department stores, sales facilities and restaurants, the Ernst Thaelmann Pioneer Palace, the sports and recreational center, the reconstruction of the Charite, generous traffic solutions and other facilities were brought about. The Berliners and all citizens of the republic as well as many foreign visitors gladly make use of them. This blossoming of our city since the 1970's has been the fruit of hard and strenuous efforts by the working people. It was tied up with the struggle in coping with various problems of social development in socialism, which made high demands on the skill and capabilities of the collectives as of the citizens.

In implementing the civicly relevant socialist communal policy the collaboration among citizens of all classes and strata grew stronger under working class leadership. In the city-kreis-assemblies and the city-district-assemblies over 2,000 elected deputies are at work. On 125 standing commissions of the socialist people's representations more than 2,700 citizens are working. More than 15,000 Berliners are working on the 505 residential area and local commissions of the National Front. Circa 26,500 exercise volunteer functions in housing community managements and nearly 6,000 in election district activists' groups. To socialist democracy in action also speaks the activity of 5,320 lay judges and there being more than

1,800 elected conflicts commissions in enterprises and institutions with over 18,000 members. Some 14,600 working people are doing much volunteer work on the Workers and Farmers' Inspectorate committees. More than 10,000 are People's Police helpers. More than 41,000 citizens exercise their democratic rights and duties in some 6,800 parents' advisory councils and parents' activist groups. The close bond the Berliners have with their state and their city has become a characteristic feature of socialist Berlin. The active participation by workers, cooperative farmers, intellectuals, artisans and tradesmen and citizens differing in political affiliation and world-outlook in managing and coping with the destinies of their city, their enterprise, their residential area, asserts itself as an essential impulse for shaping the developed socialist society. It embodies a great accomplishment of the workers and farmers power.

Socialist law safety is a mark of public life in the capital. Here the protection of the workers and farmers power, of socialist property and public order and safety is as ensured as is the freedom and human dignity of the citizens. As demanded by the Constitution, in Berlin also the members of the NVA and the border troops and the other armed organs are making their contribution to socialism and peace. Side by side with them, the working class militia groups are seeing to that.

Strong impulses for Berlin's development in the 1980's came from the 10th SED Congress in April 1981. At a time when the international situation became more critical, because of the confrontation course from the most aggressive imperialist cirlces, mainly of the United States and its closest NATO allies, and the dangers to world peace were mounting, it took steps toward further strengthening the GDR as the corner-stone of socialism and peace in the heart of Europe. Considering that the party policy issued by the eighth party congress had met its test in life, it decided to carry on the principal task course--including the Berlin Program--resolutely under the altered and more intricate conditions. Berlin kept developing as the political, economic and intellectual-cultural center, as "the strongly beating heart of our socialist German state."[6]

In conformity with the economic strategy as set down by the 10th party congress, Berlin is making a steadily growing contribution to the continual economic growth of the GDR andin turning to comprehensive intensification The largest industrial city in the GDR today produces more than 5 percent of our republic's industrial output. From 1971 to 1985, gross industrial output rose by 214 percent and industrial labor productivity, by 202 percent. Roughly M 71 billion were invested in that period to rationalize and expand the material-technical base of industry and construction and transport. Thereby gross industrial output has risen to 14.8 times of what it was in 1949, labor productivity, to 11.2 times. An important contribution to implementing the principal task came from the workers, employees and intellectuals in the Berlin combines and enterprises of electrical engineering/electronics, machine building, chemistry and the light and foodstuffs industry with their high-grade deliveries of means of production, ancillary supplies and consumer commodities.

In Berlin too the combines with an internally closed reproduction cycle have become the backbone of the socialist planned economy. Today the capital's economic capacity is shaped by such combines as the VEB Oberspree Cable-Works Wiljelm Pieck, the VEB Friedrich Ebert Electro-Apparatus Works, the VEB Rosa Luxemburg NARVA Berliner Gluehlampenwerk, the automation plan construction works, the

7 October. VEB machine tool combine, power plant installation construction, VEB housing construction combine, VEB BMK engineering high-rise construction Berlin, and the VEB Combine for Berlin Traffic Enterprises.

Berlin made strenuous and successful efforts to combine the advantages of socialism with the results of the scientific-technical revolution. The cooperation between industrial and construction combines and science institutions on a contractual basis produced a higher economic effect. Today, 206,000 university and technical school cadres have jobs in Berlin. Of all those employed in the city's enterprises and institutions, 20 percent is assigned in R&D. At a fast rate Berlin is being turned into a center for R&D and the production and application of microelectronics and other key technologies. For the dynamic development of this key industry, the concentration of more than 15 percent of the total output in the GDR's electrical engineering/electronics in Berlin, and of highly skilled workers, engineers and scientists in combines and scientific research institutions, forms a sound foundation. Machine building is consistently being further developed. Consumer goods production is being broadened with regard for the profile of Berlin industry.

The implementation of the housing construction program changed the picture of the city and encouraged its citizens' socialist way of life. From 1971 to the end of 1985, 168,369 apartments were newly built and 79,932 were modernized. That improved the housing conditions for circa 678,000 working people, more than half of the capital's inhabitants. Circa half of what there is in housing today has been newly built since 1949. So Berlin has truly risen from the ruins. New city districts, or boroughs, like Marzahn, Hohenschoenhausen and Kaulsdorf-Nord announce the implementation of a traditional goal of the revolutionary workers movement, "to set up the workers' state, in which supplying the working masses with apartments comes first and foremost."[7]

Many new public institutions were built between 1971 and 1985. That includes 4,655 classrooms in general education schools, 180 school gyms, 14 swimming pools, 11,794 vacancies in old-age and foster-homes, 114 shopping malls and 35 residential area restaurants.

A unique construction speed and stable low rentals are typical of Berlin housing. The modernization and rehabilitation of old housing was started with energy. Particularly in the traditional working class districts of Mitte, Friedrichshain and Prenzlauer Berg the task was undertaken of surmounting the depressing legacy of capitalism and creating housing conditions adequate to socialism. In 1984 at Thaelmann Park--once the location of a gas plant--the first tenants moved into the apartments of one of the youngest inner-city new construction areas.

The people-related policy of the eighth party congress bore rich fruit also in other areas. Since 1971 the net monetary income of the citizens in the city has risen by 79 percent. The 40-hour week was introduced in industry step by step, and recreational vacation was lengthened. Social benefits for shift workers were improved. Wages and pensions and subsidies for mothers, large families and young couples were raised several times. Today nearly 80 percent of the infants are taken care of in the capital's 366 nurseries. All children may attend kindergarten if their parents want them to. Circa 8 percent of the pensioners live in old-age homes. Allocations for social insurance and social welfare benefits have increased considerably.

More and more Berliners have been using their easier working conditions, due to the use of new technologies, and their longer individual leisure for learning technical and social skills, for the satisfaction of growing intellectual-cultural needs, for various hobbies and for recreation and sports. State and city budget allocations for education, culture, health care and sports rose by multiples.

Berlin became an internationally recognized center for competitive sports in the GDR. Many medals have gone in the last 15 years to athletes of Berlin sports clubs at the Olypics and world and European championships.

The attractiveness of the capital as an intellectual-cultural center has further grown with the opening of the theater at Academy Square as a center for musical culture, the reconstruction of the German Theater, the Chamber Players and the Friedrichsfeld Palace, as well as the new construction of Friedrichstadt Palace and the House of Soviet Science and Culture. The activity of such new institutions as well as of the traditional theater and music stages, internationally known orchestras, publishing houses and libraries, the Academy of the Arts, the Berlin-Weissensee art college, the Hanns Eisler music college, the museums and memorials, radio and TV, and culture houses and clubs enjoy a massive effectiveness as art and culture can achieve it only under socialism. The Berlin theater and music festivals, Berlin's Music Biennial, the political chanson festival, the FDJ summer of songs, the popular and homeland festivals in the city districts, and the enterprise and residential area festivals occupy an important spot in the capital's public life and attest to the continued blossoming of the socialist national culture in the GDR capital.

Berlin's reconstruction also expresses how deeply the socialist society and its citizens are rooted in the progressive traditions and cultural legacy of the city. That is attested to by the Linden Forum, Academy Square with Schinkel's Schauspielhaus, the French Cathedral and the Huguenot Museum, the museum island and Leipziger Strasse and the blocks of apartment houses at the Marx-Engels Forum, not far from where Berlin's cradle once stood.

The obligation to augment and consolidate the reputation, acknowledged worldwide, of Berlin's science, through top research performance and high-grade teaching in the service to socialism and peace, is met by the scientists and associates of the Academy of Sciences, Humboldt University, and the other universities and technical schools, of the Academy of Pedagogical Sciences, the Academy of Agricultural Sciences, the Building Academy of the GDR, and the science institutions under the SED Central Committee: the Karl Marx party college, the Academy for Social Sciences, the Marxism-Leninism Institute, and the Socialist Economic Management Central Institute.

The protection of the citizens' health and the care for their well-being are served by the Charite Hospital, reconstructed and expanded after the 10th party congress, hospitals in the city districts and polyclinics, state and private medical practices, the Academy for Continuing Medical Education, and church institutions such as the Stephanus Foundation that is more than 100 years old and Hedwigs Hospital.

Berlin's development and the life of its inhabitants thus reflect in various ways how through the successful shaping of the developed socialist society and as the result of diligent labor the material and intellectual-cultural vital needs of the working people are increasingly better satisfied. Equal chances for all, safe jobs, an active participation in the exercise of power, health care and recreation, and a care-free old age have become the life's experience of hundreds of thousands in a city of which once miserable quarters, capitalist exploitation and the people residing outside the pale of the law were characteristic. They know of no joblessness, shortage of apprenticeships, rental usury or homelessness. Social security, comfort and confidence in the future more and more inform life in socialist Berlin.

Berlin's development impressively illuminates the unity of socialism and peace. As the capital of the socialist German state, Berlin has become a center, recognized worldwide, in the struggle for peace and international understanding. Through the socialist revolution, here as in all of the GDR the ideas of peace and anti-imperialist solidarity have found a firm home. They deeply affect the thoughts and actions of both the elders and the young generation and pervade all public life. From this city, awarded the honorific, "City of Peace," by the World Peace Council in 1979, rich initiatives emanate today for the implementation of the socialist community's joint peace policy, for the fusion of all peace forces.

In an international situation that has been exacerbated by the fault of the most aggressive imperialist forces, the socialist GDR acts on the principle of opposing with all its strength the preparation for another world war and advocating a peaceful life for the present and future generations. From Berlin, the SED Central Committee, the People's Chamber, the State Council and the Council of Ministers of the GDR are promoting the creation of a worldwide coalition of reason and realism which adopts the goal to avert a nuclear catastrophe and to stop the arms race on earth and not to allow one in space. An increasing number of top-rank meetings with politicians from all over the world, from many capitalist states among them, testifies to the strong response to this constructive initiative that is aimed at political dialogue, understanding and cooperation. Berlin also has repeatedly become the meeting-place of top representatives of the international workers movement, as for the conference of the communist and workers parties of Europe in 1976 and during the Karl Marx Conference in 1983.

The history of Berlin attests to the triumphant march of socialism on German soil. "For the first time thereby in the history of this city and the history of our people, the ominous cycle between progress and reaction has been broken, and everything is done for the people, with the people and through the people."[8] This city is approaching its great jubilee under the aegis of socialism and peace as a politically stable, efficient and attractive metropolis, a city marked by economic growth and social accomplishments, and the flourishing of science and art. This city is the achievement of its inhabitants and of the entire GDR population. Here in Berlin in April 1986, the 11th SED Congress will confer on and issue the guidelines for the new tasks in the further implementation of the SED Program till 1990 and beyond, to the turn of the millenium.

"May the city's anniversary help further strengthen socialism and peace as well."[9] --these words by the chairman of the GDR Committee on the 750th anniversary of Berlin, the capital's honorary citizen Erich Honecker, are the motto of all the people in the GDR.

FOOTNOTES

1. "750 Jahre Berlin, Konstituierung des Komitees der Deutschen Demokratischen Republik zum 750jaehrigen Bestehen von Berlin am 7. February 1985" [750 Years Berlin--Establishment of the GDR Committee on the 750 Anniversary of Berlin, on 7 February 1985], Dietz publishing house, Berlin, 1985, p 8.

2. Karl Marx, "Das Kapital," "Critique of Political Economy," First Volume, "Werke," Vol 23, Dietz publishing house, Berlin, 1984, p 743.

3. Karl Marx, "The Situation in Prussia," "Werke," Vol 12, Dietz publishing house, Berlin, 1984, p 686.

4. Friedrich Engels to Laura Lafargue, 30 September 1893, "Werke," Vol 39, Dietz publishing house, Berlin, 1984, p 125.

5. "KPD Central Committee Appeal of 11 June 1945 to the German People on Constructing an Antifascist-Democratic Germany," "Dokumente und Materialien zur Geschichte the deutschen Arbeiterbewegung," Series III, Vol I, Dietz publishing house, Berlin, 1959, pp 16-17.

6. "Aus dem Schlusswort des Generalsekretaers des ZK der SED und Vorsitzenden des Staatsrates der DDR, Genosssen Erich Honecker, XV. Bezirksdelegiertenkonferenz Berlin der Sozialistischen Einheitspartei Deutschlands, 11. und 12. Februar 1984" [From the Concluding Speech by SED Central Committee General Secretary and Chairman, GDR State Council, Comrade Erich Honecker, 15th Bezirk Delegates Conference Berlin, of the SED, 11 and 12 February 1984], Berlin, 1984, p 137.

7. Wilhelm Pieck, "Housing Shortage--An Indissoluble Problem in Capitalism," "Gesammelte Reden und Schriften" [Collected Speeches and Essays], Vol IV, Dietz publishing house, Berlin, 1981, p 407.

8. "750 Jahre Berlin . . .," op. cit., loc. cit.

9. Ibid., p 9.

5885
CSO: 2300/112

WALESA SAYS GOVERNMENT WILL NEGOTIATE EVENTUALLY

Geneva JOURNAL DE GENEVE in French 2-3 Nov 85 pp 1, 13

[Interview with Lech Walesa, in Gdansk, by correspondent J. Katowica; "Walesa: Sooner or Later, the Government Is Going to Negotiate"; date of interview not given]

> [Text] Modest, speaking in a subdued voice (while pointing to the ceiling where the police had installed microphones), wary, unpolished sometimes, but filled with a sense of humor. This is how Lech Walesa appeared, a few days ago, to our colleague, J. Katowica, just back from Gdansk. Yet, in spite of his customary cautiousness and subjects he was forbidden to discuss, the Solidarity leader, during this interview, did not hide his goal: to repoen a dialogue with Polish government leaders (editor).

[Question] After Popieluszko's death, the elections, new arrests and attacks of which you are the target, how do you view the situation?

[Answer] In the more or less near future the government will be induced to negotiate, it will not be able to do otherwise--and these negotiations, we do not know yet what form they will take, will bear on the 21 points of the Gdansk Agreements (1980). It is the only basis for negotiations. Whether the meeting takes place now or later is unimportant. The meeting is inevitable. What is important, is that there will be a discussion of the 21 points.

[Question] Do you think that a change of the head of government will relieve the situation?

[Answer] We do not as yet know the form these negotiations will take. There must be no question of personalities. It will, therefore, perhaps, be necessary for some people to stay away. It is quite possible that I will stay away, if it is necessary. We are fighting for reform, not for names.

[Question] As a result of Father Popieluszko's murder, do you think the situation has solidified?

[Answer] It is true that we lost a great man in Popieluszko, that Poland has lost a great man. At this moment, his death is what is uniting us, is mobilizing even more--his death is the mortar that holds us together.

[Question] On the first anniversary of Popieluszko's death, Cardinal Glemp delivered a homily in which he recalled the priest's assassination, and, among other things, raised the subject of abortion.

[Answer] Cardinal Glemp's sermon was very interesting; however, people have not always understood the sermon as it ought to be understood. It is necessary to look farther, to broaden one's horizon. Popieluszko's death is a great thing for us and Cardinal Glemp has raised it to a very high point--he was right to do that.

His sermon may not satisfy everyone now; however, he is building for the future. Popieluszko's death must be treated as a much larger subject. As for abortion for me as a Roman Catholic, it is a serious problem. Among those children not born, how many Popieluszkos might there have been?

"An Amnesty Is Useless, Unless..."

[Question] Do you believe that an amnesty would make it possible to relieve the situation?

[Answer] Since I am not in the government officials' shoes, I cannot say. I have no desire to be the government. Besides, I am certainly not gifted enough to be that. In any case, an amnesty will lead to nothing, if it is not combined with an effort to open serious negotiations. Some prisoners will be released and within one, two, or ten days, others will be locked up. We do not want to fight to seize power. We only want the public to be heard and to be allowed to express itself. We must maintain differences of opinion, which allows everyone to work for the same cause, for the same goal, and in the same direction. That is what pluralism is all about.

[Question] Mr Urban, a government spokesman, speaks of Solidarity's defeat in connection with the boycotting slogan during the last elections on 13 October...

[Answer] It is one thing about which I have not had to give my opinion. It is a personal choice As a trade unionist, I do not have to deal with it. The vote itself is unimportant, because the real problem and the real negotiations must deal with pluralism, as I have already said.

[Question] After the dissolution of Solidarity, the government set up new unions and it is public knowledge that the pressures you and the leaders of Solidarnosc have been subjected to, to get you to join these new unions.... At what point is it now?

[Answer] It is the same problem. I shall concern myself with it when, inside the country, the various aspirations of the Polish people can be expressed. The 21 points of the Gdansk Agreements remain the guarantors and their enforcement will give meaning to these trade unions.

[Answer] Does Solidarity--outlawed and suppressed--have an answer to give the government, does it have a war strategy to propose?

[Answer] Yes it does, it has already begun and will continue to carry out its strategy in three stages. The first stage, which began immediately after the coup d'Etat, was, as a matter of fact, by brilliant feats of arms, a nullification of what had happened on 13 December 1981. This stage is now completed. The second stage of its strategy is to establish a new program for the future. We do not agree with what is presently being proposed to us--it repudiates what we have asked for. We must have a more political program, made up of proposals based upon firm and technical measures. This second stage is very important and must be worked out in the smallest detail.

In the third stage, we shall study "how to implement these proposals".

The first stage was achieved by a skillful use of weapons and by a great number of people. The second stage is being played out behind the scenes, it is less spectacular. It does not involve a great number of people; however, even if it is less visible, this stage is the most important and the most difficult one. It will show our capacity to attain our objective. It is more difficult to be constructive than it is to continue saying "no".

As for the third stage, we shall again need many people. This stage of our strategy presents two possibilities. Either we shall go back to operations identical with those of August 1980, e.g., strikes, demonstrations.... Or, it will be by some other means--we are presently thinking about it. Maybe it will be like it was with Franco, where, without any visible organization, the public organized itself against him; the ground around him fell away. We are experimenting on phenomena that are well-known in other areas, but which our geographical position does not allow us to develop. From outside Poland, we must appear silly. If I were living in the West, I should expect it sometimes. We do not do what we want, but what we can do. We know that the means exist, which are good, but which cannot be developed in our country.

"I Do Not Know"

[Question] You have taken the situation in Spain, during Franco's time, as a model. Do you have other models?

[Answer] I simply take those people around me for my model. I am not a specialist in many subjects.

[Question] Do you believe, as some people say, that once more the West will abandon you?

[Answer] I pay no attention to what people say, I do not wait for applause. I do the best possible, what I believe to be good. I do not have the time to think of everything; my work takes most of my time, and I also have the right to a life with my family.

[Question] Do you still believe in Dubcek's "socialism with a human face"?

[Answer] I do not know, I am not a political man. To be that I should have to learn still more things. In any case, we do not think about great names, but about reality. We do not like big words or theory. For my part, I prefer to put myself in a prescribed area. My objective today is to act so that tomorrow will be better. I want to know more than my parents knew and to act so that my children will know more than I do. I repeat, it is not names that are important--reality is. It is the same for freedom. It has a different meaning for each person. For an Indian, it would be to jump wherever he wants; for an American, to be president of the United States for at least fifteen minutes, and for us, it is the 21 points of the Gdansk Agreements.

[Question] I heard you speak, in an interview, of the "sacredness of work", what do you mean by that?

[Answer] Work must become worthwhile again and, particularly, we must be able to see its results. Man must have a higher goal, he must always be searching for something better, a higher goal. Each person has a different relationship with work. In Poland, which is predominantly Roman Catholic, work is influenced by our faith. We are seeking a larger meaning to life.

"To Heaven!"

[Question] Some people like Kantor say that they would not, for anything, want to live anywhere but in Poland, in spite of the situation. You are even credited with having had a talk with the Pope in which you allegedly said that "at least in Poland, one does not get bored!"

[Answer] People have distorted my words. What I said was that, as a Christian, there is a greater chance to live better in Poland. Life is filled with problems. If life is too perfect, there is a loss of life. In our situation, the Poles are beginning to find a larger meaning to life, and it is, perhaps for that reason, that they are going to church.

[Question] Speaking of your retirement, you stated that you would look forward to doing what you have longed to do. What will then be?

[Answer] I do not know, I do not know yet... perhaps go straight to heaven... so that I can get some rest!

9766/7051
CSO: 3619/7

READERS REACT TO GORBACHEV'S TIME INTERVIEW

Reader Praises Gorbachev

Warsaw TRYBUNA LUDU in Polish 6 Sep 85 p 2

[Article by Zbigniew Spychala]

[Text] I am a worker, and I am interested in the life of my factory and my country, but my eyes are also wide open to what is happening in the world. Everything that has to do with the issue of war and peace affects me, my family, and those who are closest to me. One need not be a great politician to realize that whether there is a global tragedy and whether our lives are peaceful or filled with constant anxiety about the future depends on two powers: the USSR and the United States. We ordinary people, concerned about the problems of daily existence, figure it this way: these two powers have to reach an understanding because otherwise the world will go under. Therefore, while reading in our press the Soviet leader's interview with the American periodical TIME, I reflected.

Never before in my life have I held that journal in my hand, and I do not know what subjects its editors usually write about, but that is not the point. I was struck in particular by the sense of tremendous responsibility for our future expressed in the statements of the Soviet leader and the awareness of the power of the socialist bloc, but also the wish to break the vicious circle of the arms race, which, in the event of nuclear war, may end in the end of the world. It is high time for the Americans finally to realize that the USSR today is no longer a giant with feet of clay, as it was called some decades ago, but a world power: military, economic and political.

I read in our newspapers that interesting things are also happening inside the Soviet Union. The new, young, energetic General Secretary of the CPSU has opened new vistas to the Soviet people, and has begun by straightening out many internal problems; a severe battle is taking place there with those who hamper progress--with drunkards, slackers, poor management--and they are reforming their economy, betting on more modern techniques. People who do not understand this are being removed, and the young people are being relied upon. I am very much in favor of these methods of battle, such as those used in combatting the plague of drunkeness. I believe that our country too should follow the example of these methods of fighting evil phenomena. These steps not only strengthen our Eastern friends internally, but they also bolster the USSR's standing in the world. There is a leader there who is looking far into the future, who knows what he wants but also understands very well the desires of the ordinary people: a peaceful, stable job, without fear for the future, a job which assures an adequate livelihood.

Therefore, whether one likes it or not, today the Western adventurers must take into account the power of the Soviets and of the entire socialist bloc. The times of intervening in our internal affairs, threats and saber-rattling, are over. And for us there is one lesson: they will have to reckon with us when we are strong in unity. This pertains also to Poland, our internal unity and our alliance with our great neighbor to the East and all the countries of the socialist community.

USSR Viewed as Major Peacekeeper

Warsaw TRYBUNA LUDU in Polish 7-8 Sep 85 p 2

[Article by Krystyna Krzeminska]

[Text] Not long ago there occurred two successive anniversaries of tragic events that shook the people of the world: 40 years since the United States dropped atomic bombs on the Japanese cities of Hiroshima and Nagasaki, and 46 since Hitler's aggression into Poland and the outbreak of the second world war. To me, living in the Lublin province, the Majdanek territory, the meaning of those days is one and the same. The message engraved on the monument to the victims of Majdanek has engraved itself deeply upon my heart and mind: "Let our fate be a warning to you."

I welcome with great joy every action, even every gesture contributing to the preservation of peace in the world. But then what woman does not want to raise her children in peace and share in their happiness? The announcement of the summit meeting in Geneva between the leaders of the two superpowers, the Soviet Union and the United States, was like a ray of hope to me in today's complex situation. It seemed that all we need now is only one more step and we shall be able to sigh a big sigh of relief. But as has now become evident it is too early for optimism. This is evident from the very first words of the interview of the general secretary KC CPSU with TIME Magazine, describing the further deterioration of relations between the two countries, intensification of the arms race and the relentless threat of war. The American response to the Soviet moratorium--military experiments with antisatellite weapons, which in the future are supposed to make the cosmos the battlefield of star wars--speaks for itself. How far have we strayed from the joint flight of the "Soyuz-Apollo," which was an object of such passionate interest for the inhabitants of both hemispheres!

In than unprecedented interview, Mikhail Gorbachev described clearly in a manner comprehensible to ordinary people the current tense political situation of the world, underscoring both superpowers' responsibility to all mankind to maintain peaceful order. It is a pity that only one side--the Soviet Union--accepts this responsibility. It is clear that the arms race forced on us by American imperialism leads nowhere. The scientific and technical potential of the Soviet Union is capable of responding to this challenge. But the consequences of filling the arsenals with constantly improved means of killing can be tragic, which Mikhail Gorbachev expressed in a dramatic statement: "Whether we like one another or not, we can either survive or perish only together!" This is the hard reality and one side's attempt to change it is a priori doomed to failure.

My attention was drawn not only to international affairs, but also to the domestic affairs of the Soviet Union, about which Mr Gorbachev had much to say. The idea of accelerated socioeconomic development of the Soviet Union, which is already being implemented, is extremely interesting. According to the general secretary of the KC KPZR, its ultimate purpose is supposed to be not a mania for breaking records, but the improvement of the daily life of the working people. A contributing factor would be the cessation of the arms race, which will permit the means that are now designated for defense to be expended instead to raise the standard of living of the working people and for peaceful development of the Soviet Union.

12470/12859
CSO: 2600/5

POLITICS

POLAND

READER BEMOANS CALIBER OF PRE-10th CONGRESS DEBATE

Warsaw NOWE DROGI in Polish No 10, Oct 85 pp 189-91

[Letter to the editor by Jerzy Jagielski, Polmo--Warsaw, 3 Sept 85: "Between Distortion and Insinuation"]

[Text] Below we publish a letter by agreement with its author and with the editors of the weekly SPRAWY I LUDZIE; it concerns issues discussed in NOWE DROGI.

To the editor of SPRAWY I LUDZIE

Wroclaw

I have handled party training in my basic party organization for many years, and as a consequence I have read many publications on ideological and program questions. Thus, I perused the discussion of the PZPR program published in NOWE DROGI with interest. The editors organized the discussion on 11 February and published it in the May issue. Here dates are important, for Cezary Sikorski's article "Between Utopia and Dialectical Realism" appeared in SPRAWY I LUDZIE on 25 July. It summarized and reviewed the discussion published in NOWE DROGI. Sikorski labored over his article for a long time. What conclusions did he reach?

After rereading the discussion I can state that Sikorski's review attempts to usurp things that properly belong only to the 10th Congress of the PZPR. The essential information, presented in Andrzej Czyz's statement clearly shows that a multistaged preparation of the proposed program is anticipated. After being approved by the Central Committee the proposal will be discussed by the whole party prior to the congress, which will have the last, summary word. I believe that is why the editors of NOWE DROGI did not end the discussion with a final summary but promised to publish other views. In the August issue three important comments appeared, again without a summary.

Cezary Sikorski and the editors of SPRAWY I LUDZIE proceeded in the opposite manner. In July they published in article that evaluated the state of the program in February. Morevoer, they usurped the right to prejudge the final decision to be made a year from now after further work and discussion. This is an example of humility worth noting.

The second aspect of "Between Utopia and Dialectical Realism," the substance of the review of the discussion published in NOWE DROGI, falls somewhere between distortion and insinuation. Not fragments but fragments of fragments were taken out of context. The prepared excerpts that do not match the actual logic of the discussion serve as a method for putting words into the discussants mouths. It is but a short step then to frequent libels in Sikorski's review.

This method still lurks about the edged of our ideological life. It hampers discussion and reaching proper conclusions. By substituting intrigue and name calling for good arguments, it causes animosity and produces sensationalism that distracts attention from the merits of problems. It contradicts the adherence to principle to which those who impute the worst intentions to others gladly appeal.

Sikorski a priori divided the participants in the discussion into three groups: supposed opponents of a long term strategic plan rich in theoretical content; supporters of a long term program who, however, oppose an opportunistic conception of dialectical realism to a narrow technocratic pragmatism; and positive heroes, of whom there are one and a half: Tadeus M. Jaroszewski and partly Mariusz Gulczynski.

This division (I will not determine its source) enriches the insinuations. If in opening the discussion Stanislaw Wronski laid out the accurate thought, which has clear, realistic significance, that a program for the rate of growth should reject straggling along in the rear suitable only for the underdeveloped and utopian variants suitable only for the most dedicated, Sikorski falsely derives from this in a confused manner (or does he understand) a new interpretation of Aristotle's "golden mean," which after August became the slogan "neither left nor right, but straight ahead." He also failed to notice that Stanislaw Wronski mentioned the unsolved task of building the foundations of socialism, by name and emphasized they must be included in the program.

But when the positive hero of the review states that these issues "must be discussed objectively and without euphemism," Sikorski applauds his generalizations. When the antiheroes name these issues specifically, he accuses them of using euphemism. One wishes to ask Sikorski, as he asked them: "What does that mean? It would be worth finding out," It is worth it. Perhaps Sikorski will tell us?

There are many other distortions that launch other insinuations. When Ludwik Krasucki states that "we should oppose narrow pragmatism and support pragmatic invention, hard realism; oppose the ivory-tower doctrinaire and support the vibrant, bold, and imaginative," Sikorski imputes to him complete isolation from real trends in development, which Krasucki discusses repeatedly. The same operation is applied to Andrzej Czyz, who properly opposed the specific to two extremes: escape to general laws and a historical ideals and formulating working plans at the tactical or even operational level. Every mention of keeping one's feet on the ground makes Sikorski froth at the mouth and produces insinuations unsuitable for a logical discussion: "based on the opponent's manner of reasoning," or "not to say capitulationist."

This desire to engage in revolutionary bidding and showing oneself a better communist, the only man of principle in Sodom, is not new. A glance at Lenin's warnings against "left communism," "the childish disease of leftism," "hurrah revolutionary phrases," "ideological prattle," and "worthless great words" proves this point.

In one column Sikorski claims we are in the middle of the transitional period, in another that socialism is not distant. How many years or perhaps months does he believe Poland needs to build full socialism? Does he remember that haste is only useful in hunting fleas?

The other discussants also receive their portion of insinuations. Wladyslaw Kwasniewicz suffered for merely mentioning the issue of the gradual divergence from elements of the dictatorship of the proletariat and increasing the traits of a universal nation state in our constitutional order, which is one of the key issues in theory and practice in all socialist countries. Jozef Pajestka received his for "classically liberal arguments," for asking the cardinal question: how to reconcile socialism and egalitarianism with material incentives?

Kazimierz Doktor offended Sikorski not only because a colleague from the same institute called him "colleague" but because he broke out of the pattern of good and bad discussants and emphasized that socialization and socialist egalitarianism must be deepened. For this cowardly deed, he was accused of discarding socialism in favor of "the bourgeois conception of a postindustrial society," as if he was not speaking of Poland.

Jerzy Albrecht received a particularly low grade for emphasizing that the ways to completely overcome the long term consequences of the crisis must be specified in the program. Does Sikorski live in a country that has suffered no collapse and felt none of its effects?

It is the merit of SPRAWY I LUDZIE that it has warned us against discussants who pretend to the role of reviewer and summarizer, who contribute little, but who sharpen their criticism of all available targets with distortion and insinuation. I wish the editors of NOWE DROGI continued success in the discussion they have begun in such an appropriate manner, and I wish to note that Cesary Sikorsi has helped them. He has shown him not to discuss the program and what should be avoided in the debate.

Jerzy Jagielski

Polmo-Warsaw

3 September 1985

13021/12951
CSO: 2600/120

PRON FORUM ON CATHOLIC SOCIO-POLITICAL RESPONSIBILITY

Warsaw ZYCIE WARSZAWY in Polish 5 Sep 85 p 2

[Text] What is the scope of responsibility of Catholics for the country's sociopolitical life; what meaning should the upcoming Sejm elections and participation in fulfilling state authority have for them? The participants of the latest meeting held in Warsaw on the 4th of this month tried to find an answer to these questions within the framework of a forum of socio-Catholic thought. This group, which functions alongside the PRON [Patriotic Movement for National Rebirth] National Council, is concerned with the dissemination and explanation of the meaning of the Church's social teachings and searching for methods of implementing the tasks of lay Catholics which arise from these teachings. The activity of the forum, which brings together mainly Catholics who are not members of sociopolitical organizations, offers the possibility of expanding PRON's base and enriching its planning ideas for proposals pertaining to the moral renewal of the state and the nation.

The chairman of the forum and vice chairman of the PRON National Council, Prof Jerzy Ozdowski, presented the substance of the Church's documents concerning the public responsibility of Catholics.

During the course of the forum, among other things, the need for activeness among lay Catholics in the face of the October Sejm elections was stressed. "Standing on the sidelines," it was stated, "is not in keeping with Church precepts."

9853/12781
CSO: 2600/11

TWO VIEWS OF PRON DISCUSSION MEETING

Social Survey Quoted by Gebethner

Warsaw ZYCIE WARSZAWY in Polish 2 Oct 85 p 2

[Text] Meetings of the Central Discussion Club of PRON are usually very interesting. This is true not only because of the selection of topics, but also because of the fact that at the discussion table one meets people of various opinions and various world-views. It is a forum for the exchange of thought between Marxist and Catholics, people of various orientations and occupations. The essential element is that it is an open club. All who are interested in a given topic may come to the discussion meeting.

The first post-vacation meeting of the Central Discussion Club was dedicated to the attitudes of the Poles. What are we like? What relationship do we have to our leaders, to our government, what do we think about the reasons for the crisis, do we see any ways out of it, what value system do we have?

The discussion began with an introduction by Assistant Professor, Dr Stanislaw Gebethner. He presented the results of sociological research (unpublished -- we hope that they will appear in the very near future) conducted last year. This is not an official picture of the country, which would be given by the Center for Research on Social Opinion [CBOS], however the results concur with the CBOS.

And so -- what are we like, what are we in favor of? The results of the sociological research show that we are in favor of just and strong leadership and that we also desire participation, a share in the decision-making. We highly esteem the system of social values, especially social justice and the right to work.

Are we a polarized society? The research results have led Prof Gebethner to set forth the thesis that we are divided into three groups and that the most numerous comprises the "middle," who answered "It is hard to say" to most of the questions posed to them. Why is it "hard to say?" Participants in the discussion were of the opinion that such an answer is not the result of ignorance, but -- of a certain pose or doubt, that many of the people had difficulty giving a decisive "yes" or "no" to the questions asked.

Independent of the number of this "middle", it can -- in the opinion of the discussants -- plan a significant role, it could become a pressure group with its own characteristics, which would have to be recognized.

Citizen's Relationship to State, System

Warsaw RZECZPOSPOLITA in Polish 2 Oct 85 p 2

[Passages in slantlines printed in boldface]

[Text] /The results of research in the social sciences can have a fundamental influence on the course of events -- they clear a path to the truth about the society, its desires and aspirations. With this assertion Prof Mikolaj Kozakiewicz opened the first post-vacation meeting of the Discussion Club at the Commission for Moral Rebirth and Social Education of the RK PRON on the first of this month. The topic was the relationship of Poles to their country and government.

The above mentioned research was conducted by various science centers throughout the country. Close to two thousand respondents from all over the country expressed their opinions on questions about our politics, ideology, principles of government, realization of the goals of our economic policy, etc.

This research distinctly demonstrates that our society is not -- as it is often considered -- divided into two parts: those who are for the authorities and those who are against them. A large group of people has appeared who have chosen the category "it is hard to say" from among the possible answers, which was found between the affirmative and negative answers.

The discussion concentrated on this "middle." One of the first participants stated that one of the characteristics of authoritarian governments is the disregard for the opinion of society. It is evident in everyday life that the government would like to obtain the opinion of the society; though it is sometimes worse on the lower rungs of authority. Instances of disregard for the voice of opinion and even common arrogance are not rare. This is the source of the widespread opinion that it is difficult to exert influence on the actions of the authorities.

The political "middle" in Poland is a constant factor of our situation. Its existence can only fill us with optimism. For it means that we are a healthy society, because we are differentiated in outlook. This "middle" can even be a positive element of pressure on the radical powers who are desirous of winning them over.

12972/13068
CSO:2600/53

HIGHLIGHTS FROM 'DZIENNIK USTAW'

Warsaw RZECZPOSPOLITA in Polish 21 Oct 85 p 6

[Text] Issue No 45 of the latest DZIENNIK USTAW, dated 9 October 1985 involves directives of the Council of Ministers relating to the following:

To profit from the achievements and experiences derived from dealings with our foreign-partner businesses and firms with whom we are engaged in small scale production ventures.

Plan for a 1986 census of individuals operating private farms.

Establish procedures providing controls capable of regulating poppy and hemp cultivation, effective methods of overseeing the destruction of surplus poppies, their stems and hemp harvests, or as an alternative, have the proceeds from their sale transferred to a National Treasury Account.

Provide guidelines for the establishment of reward systems at individual Public Highway Departments within the jusrisdiction of the Ministry of Transportation.

Eliminate compulsory payroll deductions going into the National Vocational Development Fund which is levied on the portion of 1985 wage increases.

The ban on sale and serving of alcoholic beverages during 12 and 13 October of this year.

In addition, decrees have been published by the Minister of Justice relating to the limitation of responsibilities directed toward individuals operating hotels and similar establishments for profit.

In the area of health and public welfare:

The first decree pertains to the organizational structure and regulation of health, rehabilitation and retraining centers for indigent individuals.

The second, relates to the establishment of specific guidelines governing the treatment of social-dependant and for those who have been convicted for felonies related to the use of narcotics and psychotropic agents.

12306/13068
CSO: 2600/102

TRADE ACTIVITIES NOTED

Gdansk Area Unionists Meet

Warsaw ZYCIE WARSZAWY in Polish 7 Oct 85 p 2

[Text] The first planning-electoral congress of the Provincial Agreement of Trade Unions took placed in Gdansk with the participation of more than 300 delegates representing 600 unions. There are already 845 unions operating in the province whose members comprise more than 51 percent of all workers. The importance of this event in the life of our country was emphasized many times in the course of the discussion, since it is the first instance in the history of the PRL [Polish People's Republic] when assurance has been given in the electoral laws of the ability of the trade unions to submit candidates for deputies to the Diet. The congress ratified a plan of activity for the years 1985-1988 and elected new leaders. Bozena Tarnowska, a worker in the PP [State Enterprise] "Jubiler," was elected president of the WPZZ [Provincial Agreement of Trade Unions]. Participating in the congress was the deputy member of the Political Bureau of the KC [Central Committee], the first secretary of the KW [Provincial Committee] of the PZPR, Stanislaw Bejger.

Unionists' Three-Year Plan Discussed

Warsaw TRYBUNA LUDU in Polish 7 Oct 85 p 2

[Passages in slantlines printed in boldface]

[Text] Eight hundred forty five trade unions, comprising a total of more than 200 thousand members, operate in the businesses of the Gdansk Coast.

/At the congress convened on the fifth of this month trade union activists called together the Provincial Agreement of Trade Unions and adopted a program of activity for the next few years (1985-1988)./ . . .

The Coastal Unionists adopted principles of common activities in important areas of the socio-economic life of the province and resolved to broaden interorganizational cooperation in solving the problems of apartment building, trade, environmental protection, work security, health services and education. . . .

Participants in the congress addressed an appeal to the unionist-residents of the Coast for widespread, active participation in the elections to the Diet.

OPZZ Chapters Oppose Union Federation

Warsaw TRYBUNA LUDU in Polish 7 Oct 85 p 5

[Article by Jaroslaw Karczewski: "Why Not in Federation? Too Much and Too Far" Passages in slantlines printed in boldface]

[Text] In the wake of the drive for independence and self-sufficiency, 131 federations with a nation-wide scope came into being in the union movement. There are strong, vital organizations among them with several hundred thousand members. They have control over large sums of money for their activity and possess a well-developed network of rest-homes and sanatoriums.

There are also such nation-wide organizations which have only a few dozen thousand or even a few thousand members, and their potential for activity on a given scale at the branch level and their type of employment are severely limited.

It is therefore not surprising that the employees in the factory unions sometimes do not see any advantage for themselves in applying for access to a parent federation (by trade) and are seeking other possibilities of common activities for the protection of their trade and general worker's interests.

This helps to explain the relatively rapid rate of creation of regional cells in the reborn union movement, not only in the shape of provincial agreements sanctioned by the statues of the OPZZ [All-Poland Agreement of Trade Unions], but also of units of narrower scope.

Such structures came into being, among others, within the framework of the Warsaw Agreement of Trade Unions. They are assembled into the following organizations: Mokotow, Ochota, Wola, Praga, Zoliborz and Center City, each with its own adminstration and program of activity.

Of what good are they?

Speaking here are the president of the District Council of the Northern Praga Agreement of Trade Unions, /Czeslaw Piechocinski/, from the Food Machine Institute and the vice-president of the Council, /Andrzej Wisniewski/, from the Workers' Building Society "Praga."

/--In our factory organizations we have decided not to join the federations, above all because we have reservations about their excessively fragmentary organization and their too loose contacts with the factory organizations./ In addition, affiliation with the federations demands that the factory organizations assume the costs of their upkeep. At this time our dues are low -- 0.5 percent of gross earnings, and so our modest budgets cannot bear the additional burden.

As organizations remaining under the constraint of many demands of various types of employees: construction workers, supply workers, sanitary workers, communication workers, legal employees, etc., we have a greater chance of solving their problems through local negotiations, since in this way we have direct access to the proper authorities and politico-social organizations, and hundreds of people from Warsaw and the surrounding areas come to us for the social services of our employees.

Our activity is integrated in this area. Each problem solved gains us new members.

/As long as the nation-wide structure continues to be as fragmented as it has been until now, we will not accept the arguments for joining them, since our motto is "strength in unity."/ Practical experience in this matter confirms the validity of this viewpoint.

12972/13068
CSO: 2600/53

FIRST POLITICAL POSTER SYMPOSIUM FOCUSES ON NUCLEAR ISSUES

Warsaw TRYBUNA LUDU in Polish 15 Oct 85 p 5

[Article by (Waj): "Opposition to Nuclear Annihilation".]

[Text] An international symposium of political poster publishers is presently convening for the first time. The symposium opened on 14 October 1985 in Zaborowie, near Warsaw. It will last 8 days and be inundated with reports and discussions.

Representatives of publishers from the USSR, CSSR, Bulgaria and Hungary, specializing in the field of visual propaganda; namely, printed matter in the form of posters, are participating in the symposium. The National Publication Agency [KAW] is the organizer. In addition to KAW's representatives, delegates and members of education analyst agencies, national socio-political organizations from other socialist bloc countries are in attendance. The 40th anniversary of fascism's defeat, actions to avert nuclear war and the preservation of peace are the topics on the agenda of this symposium.

The first day's speaker of this international gathering was the deputy delegate standing in for a member of the Central Committee PZPR's political Biuro, editor of ANS, Prof Marian Orzechowski. He opened the meeting of the publishers, writers, politicians and political scientists with a speech dealing with the historic implications of the triumph over fascism. In the concluding segment of his speech he reflected upon the historical and political aspects of the Yalta and Potsdam agreements, noting them to be the foundation for the establishment of order and maintenance of peace in Europe and the rest of the World. The idea for creating the symposium was the result of contacts made by KAW with the publishers of the Central Committee PZPR's "Plakat" [Poster]. Ultimately, representatives of similar publications met to exchange views and experiences along with the use of suitable graphics of political propaganda. The foremost goal in mind is to reveal facts, forewarn, fight against nuclear annihilation and promote peace with the aid of posters and books.

Jerzy Majka, director of the Information Division of the Central Committee PZPR attended the first day's session of the symposium.

12306/13068
CSO: 2600/102

SCHOOL'S IDEOLOGICAL ROLE NOTED BY BLOC EDUCATION MINISTERS

Warsaw RZECZPOSPOLITA in Polish 24 Oct 85 p 5

[Article by (skow): "The School's Role in the Ideological Struggle.]

[Text] According to an announcement of the Ministry of Education, the sixth conference of socialist bloc countries will be held in Cracow and Warsaw from 18 November 1985.

The subject matter under discussion will be "The Role of the School in the Ongoing Idealistic Struggle". The meeting will also be attended by delegates from countries entering into the socialistic sphere of development. The conference will afford the occasion for the establishment of a reciprocal exchange of information in the endeavor regarding changes in education and guidance techniques employed by the attending countries.

A total of 20 countries have been invited to attend the conference, 18 of which have already given their assurances that their delegates will come to Poland. In the ranks of these delegations will be the ministers of education, representatives of central party committee and delegates of youth organizations who have been invited to participate for the first time.

Ministers of education conferences convene every 2 years since 1975. This is the first time Poland is the organizer. In the past, meetings were held in Moscow, Sophia, Budapest, Berlin and Havana. The subjects discussed at these conferences centered around the role of the school and teacher in the furthering of socialism. Also considered were methods for indoctrination of the youth, aiming for the formulation of its global outlook on life during the contemporary educational process and also in their extracurricular activities.

The theme of this conference: "Role of the School in the Contemporary Ideological Struggle", as pointed out by the Minister of Education Boleslaw Faron, is extremely important as has been evidenced by a multitude of events transpiring in today's world politics. This presents a troublesome situation observed by us in recent years within our education system. At the conference, Poland disclose its latest and most interesting corrective measures introduced into its educational procedures.

12306/13068
CSO: 2600/102

POLITICS POLAND

STUDENT SOCIO-POLITICAL AWARENESS

Warsaw NOWE DROGI in Polish Oct 85 pp 81-88

[Article by Adam Pawlak: Students' Socio-political Awareness]

[Excerpts] In characterizing students' awareness, it should be noted that the partial change in their views results, among other reasons, from the processes taking place in the social reality of our country. In 1981 the students at the Gdansk Technical University expressed disbelief in the ideals and values supported by the PZPR and a lack of trust in state institutions (authorities). Further, they regarded the programs as mere facades, and they believed official propaganda was false.

Among their highest values, the students listed the family, democracy, justice, equality, religion, patriotism (frequently equated with nationalism). An increase in social activeness in comparison with 1979 and an increased desire to discuss domestic issued was readily apparent.

The students attached great importance to the student self-government as their genuine representatives. They forcibly pointed out the differences between self-government's socialist principles and their functions in practice. Students emphasized that their living conditions are the most difficult and that social policy for students should be changed radically.

Idealized socialism is deeply rooted in students' views, and it has become the model for evaluating a long list of social policies in Poland (the implementation of social justice and equality, of democracy, of the economic reform of censorship, etc.).

The socio-political awareness of students in 1981 is the only institution guaranteeing the moral rebirth of the nation and the unity of society. Polls from 1981 showed that about half of the students criticized existing socialism primarily interms of bourgeoisie ideology and not marxist (totalitarianism, collectivism, exploitation of citizens by the state, no unemployment, etc.).

The data from the polls in 1982 confirmed the results from 1981, but new tendencies appeared in students' awareness. During the later period the respondents exhibited discouragment and disappointment with the authorities' decisions and with the expansion of opposition. The students ceased believing in the possibility of a democratic socio-political life or of overcoming the economic crisis in the near future. The respondents were significantly more disinclined to undertake volunteer activities, to belong to civic organizations, or to believe their willingness, ambition, and qualifications can be used adequately. The students had a positive attitude toward the private sector because the West has shown good results in this sector. The respondents believed the Church's and the Catholic religion's role in society and in humanizing Polish society and in reawakening it morally has grown. The percentage of believers among students, however, increased only slightly (3.5 percent). On the other hand, the prestige of work as a personality creating factor declined.

Among students' goals and desires, a happy family life and a group of close friends occupied a prominent position. The desire to retreat to private life, to traditional family values is clear. The search for happiness in love and in a religiously oriented community was associated with a view of the Church as a pillar and protector of these essential values. Young people at that time did not see any clear prospects for themselves; the future was uncertain and provided no chance for a decent life.

Polls from 1984 show small but significant changes in student's awareness. It still differs from the awareness postulated by marxist ideology and expected by the state. Students retain a well developed sense of the nation, but it does not include any sense of the state. Moreover, they still question some of the state regulations. In the students opinion, it still is unrepresentative of the people's interests. They also emphasize that socialist democracy is insufficiently developed, and they frequently mention deformations (no pluralism, undemocratic elections, etc.). The respondents also note an internal division in society and evaluate it according to their own subjective feelings.

The majority's vision of the future is not pessimistic, although they believe overcoming the crisis will take a long time, and 12.4 percent of the respondents believe it can never be overcome completely. The prestige of good work rose from seventh to fourth place.

Students are aware of the need for genuine activeness, but they still do not see any chance for undertaking effective action. Students' aspirations and optimism that they can achieve their goals in life rose only slightly. The polls also showed a great variety of attitudes and a great degree of criticalness, which at times verged into cynicism. The students, however, accept many ideals and values of socialist society (equality justice, democracy, respect for person, toleration, etc.).

Students still regard many of the slogans and programs of the authorities as mere declarations. They do not trust the new socio-political institutions and youth organizations, but they do not deny the need for them.

In conclusion, the polls should be considered more often in making policy for shaping the younger generation's attitudes.

13021/12951
CSO: 2600/120

POLITICS POLAND

STUDENT ORGANIZATIONS, AFFILIATIONS HIGHLIGHTED

Warsaw NOWE DROGI in Polish No 10, Oct 85 pp 61-72

[Article by Antoni Dragan: "About Youth's Problems: Polish University Student Association--Traditions and the Present"; passages in slantlines rendered in boldface in text]

[Excerpts] In order to evaluate why/entering university studies/leads/to ending volunteer activities/and to develop effective counter measures, we must examine the political attitudes among students. We must remember that some students already have a well-developed views and values. We will consciously turn to an analysis of students' living conditions and the effectiveness of policy toward students.

1. In general these elements characterize the structures of students' political life:

a) Socialist student and youth organizations (ZSP[Polish University Student Association], ZMW[Rural Youth Union], ZHP[Polish Scout Union], and the ZMSP[Union of Socialist Rural Youth]) actively support socialist transformation in institutions of higher learning and socialist reform and renewal begun with the resolutions of the Ninth Congress of the PZPR.

Recent events within socialist youth organizations have slowly but surely increased their political influence. At present the ZSP has about 50,000 members, which is surely no reason for satisfaction, but the figure should be compared with the 400 people who participated in the founding congress in November 1982. The evaluation of the development of the association so far at its congress in March 1985 made possible examination of the strategy, proposed by some chapters, of avoiding political issues and concentrating on concrete activities instead of developing a broadly based program of political action. Recent experiences confirmed the ancient truth that one secures his place through effective struggle for the interests and position of the organization.

The forms and direction of the ZSP's political action are contained in the resolutions of the 12th Congress--" We approve of and are implementing the values in the program of socio-political change adopted by the party's Ninth Extraordinary Congress."

b) Student self-governments, scholarly groups, and some student representatives in collegial organs of higher institutions, which function under current law, have taken advantage of this to express opposition in their statements.

Frequently, they have initiated various resolutions and political statements (not permitted by law) expressed in the name of the academic group, or they have blocked student representatives) resolutions that pose problems for some professors in the senate or department council. For part of the academic authorities and academic community the student self-government was their organization, and it did not represent all students interests in the educational process or the distribution of material assistance from the state. Characteristically, at most institutions the creation of self-governments produced mere facades both at the institutional and department levels that took no interest in what happened at the lowest level. The academic community believed that this self-government was a superorganization that distributed money for organizations and created an alternative for the undecided students.

I emphasize that this occurred at some institutions, but they were the ones that established the pattern for student self-government. The most recent example is the press conference organized for Western correspondents by the Warsaw University self-government on 27 July, in which a dozen or so self-governments from all over Poland participated. They opposed revising the statute.

c) Illegal groups of students are attempting to reactivate the NZS[Independent Association of Polish University Students]and to implement an opposition program. Number 49 of the illegal bulletin KOMMUNIKAT[Communique]of the NZS at Wroclaw University and Wroclaw Technical University presents the tasks and goals characteristic for these groups. In an attempt to draw students to their proposed goals, the supporters of the NZS feign objectivity and severely criticize their organization's actions before 13 December 1981. They claim that the basic goal of the NZS was a Poland based on political pluralism and free elections. Differences existed only on how to achieve this goal. Evolutionists invoked KOR[Social Self Defense Committee]and believed the path to democracy led through gradual, open, and self-limiting political action. Fundamentalists believed that limits have no meaning, for a global solution, the transformation of the internal system in accord with the will of most Poles, is within reach. The NZS's action before 13 December 1981 resulted from these conflicting interests. December showed that neither the independence tactic (evolutionist or fundamentalist) nor the minimalist tactic could bring success. The mistake was supposedly only the method.

Admitting political bankruptcy forces not only a change in strategy but a change in goals. The contrast between the sporadic proposals to relegalize the NZS and the constancy of those for Solidarity testifies to their bankruptcy. The authors admit that in the present situation updating the pre-13 December program (whose support among students has declines) is essential. They claim that their goal is an independent, democratic Polish state that guarantees all its citizens freedom, respect of person, and prosperity and self-government for social groups, pluralism, freeplay of political forces.

The cited program, popularized at one time by Radio Free Europe (a representative voice for some young people) reflects well the state of mind and situation of a portion of the academic community. The presented views come from a different age, the Cold War, and have their source in the West.

d) Groups of students are connected with the Roman Catholic Church through the ministry of the academic community. The proffered forms of action range from excursions, pilgrimages to the distribution of aid to married students. Characteristically, they extend beyond the terrain of the church. Dormitories and institutions become an arena for action. It gradually loses its confessional character and takes on that of organized political action. The broadly conceived cultural and educational (let us say) activity aims to win the young intelligentsia for the Church, to make them propagators of the Christian idea. Along the way a confrontation with the secular, marxist approach to socio-political subjects taught at the institutions appears. A parallel cycle of lectures on philosophy, history, and ethics is organized. For a significant portion of the students, seeking a life style and philosophy, it is frequently the only sufficiently attractive proposal because secular ideals are ineffectively disseminated.

2. The academic political groups have fought among themselves for the support and minds of the students during recent years. The political action of the opposition aimed and aims to take over influence and direct the self-government and scholarly groups. One must wonder how such unwanted goods can be sold in new packaging among people so attuned to the search for truth. This program is actually political. One hears openly that until December 1981 the NZS deceived the academic community and that it was only a tactic. The popularity of this type of program derives from academic ignorance of the goals and tasks that the creators of these groups espouse. Mimicking independence symbolism, they attempt to influence the academic community. We should openly admit, what the active NZS supporters state without hesitation that success in these activities assumes confrontation on many fronts.

To bring one issue to its logical conclusion, one goal, weakening in the underground to be sure, assumes combating organizations, especially the ZSP and ZSMP, as "reactionary annexes of the totalitarian authorities," that serve to promote their policies. The goal also assumes, as the opposition writes, the use of active defense if necessary.

Group solidarity, the common interests of students, no longer counts. Decoding the phrase active defense no longer has any sense, although it might be educational and enligthening. If programs of this type still gain support among students, then they must be disoriented ideologically and politically, and the educational system must function poorly. The political situation among students must be discussed openly. It is surprising that studies (Footnote 12) (The Effectiveness of Socio-political Subjects. A Report on a Poll Conducted in April and May 1984, edited by L. Garlicki and Z. Ostrowski, typescript OBS ZSP) show that nearly 80 percent of the students have not encountered recent Polish history during their socio-political courses. Characteristically, the opposition program never mentions students interests here and now. Instead it points to a future that has repeatedly turned out bankrupt.

3. This evaluation of the political situation among students and description of student political and organizational structures suggests these conclusions and tasks for the ZSP.

a) Strengthening the influence of the association and activating the whole academic community is possible if the rich experience of the association is put into daily practice in the organization's activities. A broad program and an open worldview coupled with a clearly defined political program can create the opportunity to activate ever more students and enable them to realize themselves. Increasing the students' control of their lives is an essential condition for implementing this program. All of the ZSP's activities should serve this goal.

b) The effectiveness of these activities and the position of the ZSP depend on commitment to socialist reform, on how the ZSP helps put the socialist idea into practice at each institution, on how it develops the idea and monitors it. Declaring itself for socialism, as history shows, is the only lasting future for the student movement, it makes possible work for social progress and progressive political programs. The relations of student organizations with the party have always had tremendous influence on the effectiveness of their commitment. This remains so today.

c) Using students' natural critical attitude toward existing society is one of the organization's obligations. Listening carefully to what students are saying is a condition for students to gain control. It is also an initial condition for engaging students in the implementation of the organization's program and for influencing their attitudes and behavior. This will give birth to the confiction that only a positive program has a chance to change anything and most malcontents and reviewers of random action. This approach produces the pragmatism of the ZSP program, work at the basic level, that will lead it to regain prestige among university students.

d) The ZSP's obligation is to initiate action by socialist student organizations among students and youth and to strengthen the socialist student and youth organizations. Realistic cooperation will reinforce the progress that has already been made in implementing socialist renewal.

e) The discarding of the false, apolitical thesis at the 12th Congress of the ZSP, because of students needs is also the essential precondition for actively shaping the attitudes and behavior of its members and thus the whole academic community. Reformulating more unambiguously the organization's positions only on paper, as some have claimed, is not the point. Rather, at each institution, in each community, a realistic evaluation of the barriers and threats to the development of the organization should be made and effective program for surmounting them adopted. This approach means fighting for ones own political identity in the community, requiring full implementation of the resolutions of the association's 12th congress. The politically maturing aktiv of the ZSP is even more conscious of the tasks the association has to perform in the current political situation at the higher institutions. The lines of political division are becoming increasingly visible, even in this community where everything is not fully articulated, as are the social and political consequences of these processes.

III. Practically, this approach denotes a return to some well developed and test methods of self-government for the student community: the elected student representatives for academic affairs and the distribution of emphases in student organizations activities. History teaches that self-government structures will endure longest that are tightly joined to organizations. The experience of the last 35 years shows the association is an absolutely essential element of self-government at higher institutions. The self-government principles of organizations have not only been a school of democracy but have helped expand the influence of the organizations. The politicizing of the activities of self-governments connected with the crisis of student organizations at the beginning of the 1980's led to the avoidance of educational and social issues. They must be central among the interests of self-government today. We should not forget that in 1959 the ZSP initiated a broad discussion of self-government among the students. How should students unite to strengthen their voice on issues important to them and the country? In the present, divided student community the ZSP continues this discussion.

The results of the ZSP's activities so far cannot satisfy its aktiv. The association stands before a new academic year which will show whether the program developed at the 12th Congress will be implemented. There are many reasons and facts that show that it is possible. The revision of the statute has unambiguously strengthened the position of the organization in the educational work of higher institutions and made possible creating self-governments capable of performing their statutory functions. The revision was supported by the entire ZSP at its 12th Congress. During the last phase marked by demonstrations and university senate meetings, the ZSP Higher Schools' Councils actively defended the position adopted by their congress.

Active participation in the transformation of the higher institutions, modernizing education, and raising educational standards are the most important actions of the association in shaping the attitudes of the Polish intelligentsia and a practical response to society's expectations and needs.

13021/12951
CSO: 2600/120

APPEARANCE OF WARSAW'S VICTORY SQUARE CRITICIZED

Warsaw ITD in Polish 1 Sep 85 p 2

[Article by Pawel Wojcik]

[Text] Between 1894-1912, the czarist authorities built a huge Byzantine Orthodox church with a 70-meter bell tower on Saski Square (presently Victory Square). This church was one of the elements of forced Russification and in time, it became a symbol for Warsaw residents of czarist oppression and the lack of the existence of an independent state.

After independence was regained, the church-symbol was dismantled and the sandstone slabs of the church were laid down on the surface of the square so that the people of Warsaw would step on its remnants.

The intention of the City Council was obvious: we should treat the surface of Victory Square as a symbol.

Unfortunately, our attitude toward this reminder cries for revenge. At first, someone had an idea and during the mid-70's an industrial exhibit of Warsaw was organized on the square. There would be nothing wrong with this if it were not for the fact that heavy construction machinery manufactured at the Warynski Plants was placed on the square. The steel chain belts of excavating machines crushed many of the delicate sandstone slabs at that time.

In 1982, repairs to the surface were begun. When a part of the square was uncovered recently, what appeared before our eyes was an even and drab colored coat of concrete. This is when I started to have misgivings whether the commemorative, historical slabs will return to their place. Currently, there are only approximately 300 of them left, arranged on one of the paths connecting the Tomb of the Unknown Soldier with the fountain in the Saski Garden.

I would like to ask the city authorities whether the historical slabs will return to their place and whether they are protected by the law which applies to historical monuments and relics in Poland?

If the answer to these questions is negative, then the last question is: Why not?

9853/12781
CSO: 2600/11

LEFTIST INTELLECTUALS REBUKED

Warsaw ITD in Polish 1 Sep 85 p 2

[Article by Piotr Gadzinowski]

[Text] Things are awhirl. This time, it´s in the capital in the columns of the contemporary weekly ARGUMENTY. Its columnist, "WIR", is commenting on the interview given by Tadeusz Holuj to POLITYKA. The interview dealt with the literary and intellectual Left. When it comes to the ´left´, it is possible to talk about it extensively and for long without emotion in our country until the moment that it is necessary to start naming the names of leftists and finally, something which is done very rarely, their intellectual accomplishments.

"WIR" prepared a short list of this kind by placing on it several leftist veterans as well as Jerzy Adamski and Andrzej Wasilewski who, as he described, "have the daring to admit outright that they are leftists." This agitation caused by the columnist shocked me. Both intellectuals deserve praise but I did not expect this kind. Both of them belong to the most leftist of all the existing political parties and, among other things, upon the recommendation of this party fulfill various praiseworthy functions and hold honorable positions. Thus, their "outright admission to leftism," is in this situation not an act of daring but rather simple intellectual honesty. "Alexander the Great is a hero but why break chairs?" So say our leftist neighbors.

A question remains: Why is it that so many who belong to this most leftist of the active parties and frequently who hold honorable posts upon this party´s recommendation, do not display that simple honesty?

9853/12781
CSO: 2600/11

OPZZ INVITES WFTU LEADERSHIP FOR VISIT

Warsaw ZYCIE WARSZAWY in Polish 3 Sep 85 p 2

[Text] An official delegation of the World Federation of Trade Unions [WFTU] headed by the secretary general of WFTU, Ibrahim Zacharia, paid a visit to Poland at the invitation of the OPZZ [Polish National Understanding of Trade Unions].

During talks with the OPZZ delegation headed by Alfred Miodowicz, information was exchanged about WFTU activity and about the Polish trade union movement. In addition, views on the subject of the current problems of the international trade union movement and of the world situation were exchanged.

Ibrahim Zacharia familiarized the hosts with the preparations for the upcoming 37th session of the General Council and the 34th session of the WFTU Bureau as well as with the next year's 11th World Congress of Trade Unions. He also informed about the solidarity initiatives of the WFTU on behalf of union members of particular regions and continents.

Both sides expressed satisfaction with the fact that the trade unions of the Polish People's Republic have returned to the world federation and to international branch unions.

The desire for close cooperation in the name of unified activity of the international union movement was expressed. This particularly concerns the solving of the most vital socioeconomic problems for working people worldwide and the struggle for peace and disarmament. It was agreed that the implementation of these tasks should constitute a common plane for the constructive dialogue of union members regardless of their affiliation and orientation.

The delegation confirmed unanimously the position of the WFTU and of the OPZZ toward the most important international problems. They stressed the importance of the peace initiatives of the USSR and of other socialist countries.

The secretary general of the WFTU, Ibrahim Zacharia, was received by the members of the PZPR Central Committee leadership and placed a wreath on the Tomb of the Unknown Soldier. He participated in the meeting of the Warsaw union aktiv and in a press conference and also visited the Children's Health Center.

9853/12781
CSO: 2600/11

PROVINCIAL PZPR PLENUM IN BYDGOSZCZ

Warsaw RZECZPOSPOLITA in Polish 5 Sep 85 p 2

[Text] The Provincial PZPR Committee deliberated at a plenum session in Bydgoszcz on the 4th of this month. The subject of the analysis was the socioeconomic situation in the region and the tasks issuing from it for party echelons and organizations as well as for PZPR members with particular consideration given to the Sejm elections campaign. Party members acting in PRON [Patriotic Movement for National Rebirth] regional and institutional elements as well as regional secretaries of party organization were also invited to take part in the deliberations.

It was confirmed that the process of the socialist renewal of political and socioeconomic life in the region has already acquired a distinct and irreversible shape.

It was stressed in the discussion that "in the elections campaign to the Sejm, particularly important tasks rest with party echelons and organizations and with all party members." This was confirmed by consultative meetings with candidates for delegates [posel]. They [meetings] had a civic and responsible character and demonstrated that constant party contact with various spheres of society can give the best sense of orientation in problems which pervade communities and in matters of importance for society in general and by the same, can give a sense of direction to activity undertaken by the party.

The plenum passed a resolution which defines the tasks of party members in the regions of Pomerania and Kujawy before the approaching Sejm elections.

The plenum granted recommendations to candidates for delegates and to PZPR members and supported the candidacies of nonparty delegates. In accordance with the electoral law, the final decisions in the matter of establishing lists of delegate candidates in the particular electoral districts, will be made by the provincial elections conventions.

General of Arms Jozef Baryla who is also a PZPR Central Committee member, vice minister of national defense and head of GZP WP [Chief Political Directorate, Polish Army], was present at the session.

9853/12781
CSO: 2600/11

BRIEFS

CHURCH CONSTRUCTION VS PUBLIC SERVICES--The state authorities allow various forms of manifesting religious feelings which are banned even in many Catholic countries around the world. Such policy practiced by the authorities is sometimes met with protests; at times these are falsehearted protests. It is said, for example, that a church is being built even though a day care center or nursery school is needed. I would like to remind about the fact that priests do not have a monopoly over stimulating the activity of the local community. Who is preventing anyone from building a day care center with community efforts from the funds of the local population? [By Adam Lopatka, minister and director of the Office of Religious Affairs] [Excerpts] [Warsaw PRZEGLAD TYGODNIOWY in Polish No 33, 18 Aug 85 p 3] 9853/12781

MEDIA STYLE CRITICIZED--Let us take into consideration our propaganda; the entire system of the mass media. How often it "treats" society as a uniform mass in matters of awareness and opinion on various issues. After all, these are people who have 40 years of experience in People's Poland [Polska Ludowa] behind them; who have a definite "accumulation" of education, culture, social knowledge, etc. For them, the only source of truth cannot, for example, be the TV newscast. If we were to refer to scientific theories of mass influence (I am also involved with this problem professionally), then we would see that all studies confirm the thesis that only through the presentation of various stands, outlooks and opinions can an effect be achieved sooner. What we are lacking is, for example, polemics and public dialogue; we are losers because of our ineptness in listening to what the other person has to say and in taking into consideration the arguments of various partners. The monologue and "mouthing off" are still dominant. On the other hand, we forget that skepticism arising from reoccurring crises has made Poles impervious to monologues. [Text] [Warsaw PRZEGLAD TYGODNIOWY in Polish No 33, 18 Aug 85 p 3] 9853/12781

SEJM DELEGATES CONTACT WITH VOTERS--If the Sejm delegates do not have genuine contact with various groups within the election precinct [okreg wyborczy], then they conform indiscriminately to the decisions of the authorities of delegate clubs. Unfortunately, this is a wrong phenomenon. Sejm delegates should also, within their means, influence through delegate clubs the position of party echelons. After all, if a delegate really fulfills his mandate well and has contact with community social groups, then he may have a better understanding of social trends than executive party echelons. [Text] [Warsaw PRZEGLAD TYGODNIOWY in Polish No 33,18 Aug 85 p 3] 9853/12781

POLITICS AND CULTURE--(...)There is a certain paradox between creativity and politics; between creators and politicians. This is where tension exists. (...) The servitude of literature understood too literally with regard to political programs has usually led to artistic and creative disaster. And it always turned out that this was not for the good of the political movement. Self-limiting creativity which succumbs totally to politics would cease effectively supporting the movement which it wanted to serve. [By Marian Stepien, professor at the Jagiellonian University] [Excerpts] [Warsaw PRZEGLAD TYGODNIOWY in Polish No 33,18 Aug 85 p 3] 9853/12781

QUALIFICATION OF ´AUTHORITIES´ QUESTIONED--A sad method of manipulating scholars is the so-called building up of prestige. After all, it is up to the person in charge whether a book will be published in 3,000 or 30,000 copies or whether it will be published at all and also whether we will be watching on our TV screens professor X or professor Y as an expert in some field. After all, only a few viewers can detect which one of them is really better in his field (...) The awarding of bonuses to those who are mediocre already belongs to phenomena of social pathology. It is obvious that it is easiest to manipulate those who owe their titles and positions not so much to knowledge as to nonscholarly activity. Unfortunately, it does occur that poor scholars receive not only titles but are also given high administrative functions which enable them to oversee research work. This is when the harm is significant. [By Marek Mlicki, doctor of sociology] [Excerpts] [Warsaw PRZEGLAD TYGODNIOWY in Polish No 32,11 Aug 85 p 3] 9853/12781

TODAY´S WORKERS LACK ENTHUSIASM--(...) I have a special feeling for those who participated in rebuilding Poland. These were authentic heroes. I would openly kiss the hands of the old water supply system skilled worker or the power plant foreman for their unbounded devotion to their work. The concept of, "hero", "enthusiasm", "Warsaw pace" became absurd when the slogan "a Pole can" failed to make the grade. The people of that other time really could. Today, all of this sounds like platitudes, stereotypes and cliches. The youth of today does not want to listen to this and often does not believe that at one time everybody worked with enthusiasm. [By Tadeusz Makarczynski, film director] [Text] [Warsaw PRZEGLAD TYGODNIOWY in Polish No 32,11 Aug 85 p 3] 9853/12781

CSO: 2600/11

PZPR COUNTS ON POLITICAL SUPPORT OF S & T ASSOCIATIONS

Warsaw NOWE DROGI in Polish No 10, Oct 85 pp 160-164

[Article by Jacek Raciborski: "Non-professional Scientific and Technical Movement in Poland"]

[Excerpts] In popular opinion the development of science depends on professional research institutions such as the institute of PAN [Polish Academy of Sciences], higher institutions, and state institutes. They surely are the basic organizations responsible for research and training. But the picture of Polish science would be incomplete if we ignored the role of scholarly societies. There are 193 of them in Poland: 34 general societies (regional societies, institutes, and research centers), 94 specialized or interdisciplinary societies, 45 medical societies, and 20 technical associations in the Chief Technical Organization. The largest are those in the Chief Technical Organization (400,000 members). (Footnote 1) (All data in the text are from the report: Scientific Societies in Poland: Conditions, Tasks, Activities prepared by the Council of the Scientific Societies and the Bureau for Community Activities of PAN). The figures themselves show the community scholarly effort is important, not only in the quantitative sense, but that is not what determines its importance for the country.

The character, form, and goals of their activities vary. The regional societies in academic cities (among which are the Gdansk Scientific Society, Poznan Society of Friends of Science, Lublin Scientific Society, Lods Scientific Societies, and the Wroclaw Scientific Society) associate scholars in the given region and study problems in many disciplines, usually those closely connected with their given region. Regionalism here is not provincialism. The Study "Poland at Sea 2000" done by the Gdansk Scientific Society as part of the "Poland 2000" report certainly does not have any such traits. Many other regional societies that have no professional personnel mostly associate so-called lovers of science and concentrate on popularizing scientific achievements and study their regions. Frequently, they play important roles in creating culture and forming opinions; they integrate the creative people living in the given region. These societies also publish their members works. This is especially true of those in academic cities, but many valuable monographs about cities and regions would not have been written without the inspiration or organizational and substantive help of the local scientific societies.

A more general evaluation of the importance of the non-professional scientific movement must include the state of all of Polish science, and the Third Congress of Polish Science will offer an excellent occasion. Without anticipating the Congress's evaluation, current evaluations are ambivalent, Polish science has been criticized for a visible lack of technical invention, innovativeness in the economy, social awareness, and failure to discover effective methods for controlling the state and economy. The critics have forgotten that investment in research has systematically declined in Poland in recent years and have reached the lowest level among the socialist countries. They also forget that the path from conception to production can be long, and shortening it depends only to a minor degree on scientists. Regardles of the many objective weaknesses of science and public disillusionment with its achievements, substantial, socio-economic progress and halting the deepening of the technical gap between Poland and the developed countries of East and West depends to a great degree on science. The role of the non-professional scientific movement is not central, but it is also not marginal. It cannot undertake research that requires expensive, complicated instruments, but it would suffice if it performed the roles mentioned earlier. Moreover, the scientific societies can create a hard-to-define climate that would encourage scientific to solve the country's critical, practical problems and give them the desire to cooperate with all the political forces attempting to solve these problems.

The party is counting on the non-professional scientific movement to perform this role. The Politburo of the PZPR Central Committee state at its meeting on 17 May 1983 that the societies' activities should contribute to national consensus and integration on the country's most important social and economic problems. These expectations were generalized and developed in the resolutions of the 19th Plenum of the PZPR Central Committee, which dealt with the intelligentsia's role in a socialist society as a whole. These expectations are accompanied by decisions to increase systematically investment in science in the coming years, to create goal funds to finance putting scientific discoveries into practice and to pay for essential imports of instruments, books, and journals. In this context, the prospects for developing the non-professional movement also appear more optimistic. The state's concern for its quality was expressed by the meetings of the Commission on Scientific Personnel of the Council of State in Novemeber 1984 and April 1985 during which several concrete recommendations were addressed to the state administration, national councils, the Polish Academy of Sciences on the creation of favorable conditions for the movement's activities. A number of issues require regulation. Among them are the legal status of scientific societies; coordination of their activities; method of financing them, their cooperation with national council and socio-cultural societies, publishing activities, international cooperation, etc. Certainly the Third Congress of Polish Science will deal with many of these issues, and it will offer the societies a special opportunity to present their accomplishments and expectations to the administrative structures responsible for directing the development of science and technology in Poland.

13021/12951
CSO: 2600/120

- END -

JPRS-EER-86-007

17 January 1986

East Europe Report

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS-EER-86-007

17 January 1986

EAST EUROPE REPORT

CONTENTS

AGRICULTURE

GERMAN DEMOCRATIC REPUBLIC

Officials Claim Farm Price Reform Promotes Wise Resource Use
(Siegfried Doehler, Erhard Gerstenberg; DEUTSCHE BAUERNZEITUNG, No 34, 23 Aug 85) 1

LPG Managers Rely on Aerial Photography for Crop Assessment
(Heiner Grienitz; BAUERN-ECHO, 17-18 Aug 85) 5

New Students, New Curricula Characterize Agricultural Field
(BAUERN-ECHO, 26 Jul 85) 7

Farm Machinery Maintenance Prevents Fires at Harvest Time
(Andreas Klug; SCHWERINER VOLKSZEITUNG, 16 Aug 85) 8

ECONOMY

GERMAN DEMOCRATIC REPUBLIC

Official Stresses Key Role of Microelectronics in Industry
(Felix Meier Interview; STANDARDISIERUNG UND QUALITAET, No 3, Apr 85) 10

Product Lines Employ Indigenous Silicates, Fluorochemistry
(Werner Dietzel; STANDARDISIERUNG UND QUALITAET, No 3, Apr 85) 14

Improved Product Quality Achieved Through Increased Refining
(Manfred Kraft, Udo Ludwig; WIRTSCHAFTSWISSENSCHAFT, No 6, Jun 85) 17

Sulfur Dioxide, Nitrogen Oxide Emissions Studied in Detail
(FRANKFURTER ALLGEMEINE ZEITUNG, 5 Sep 85; DIW WOCHENBERICHT, No 30, 25 Jul 85) 34

Limited Emissions Control 34
Responsible Sectors Identified 35

Researchers Note Need for Improved Outer Wall Construction
(Herrmann Ruehle, Joerg Blobelt; BAUZEITUNG, No 7, Jul 85) 52

Measures Recommended for Improved Use of Building Materials
(Alfred Bernt; BAUZEITUNG, No 7, Jul 85) 60

Outer Wall Thermal Retention Increased Through Air-Pockets
(Peter Bauer; BAUZEITUNG, No 7, Jul 85) 65

Refining of Raw Materials, Lignite Present Economic Problems
(Gerd Schirmer; WIRTSCHAFTSWISSENSCHAFT, No 6, Jun 85) 71

POLAND

Readers Protest Higher Car Tariffs
(Stanislaw Tuzynski, Andrzej Ziemilski; POLITYKA, No 35, 31 Aug 85) 80

Planning Commission Reviews Machine Tool Industry
(RZECZPOSPOLITA, 4 Sep 85) 82

Polish-USSR Chemical Industry Agreements
(RZECZPOSPOLITA, 12 Sep 85) 84

Trade Deals at Mining, Metallurgy Fair
(Marian Twarog; RZECZPOSPOLITA, 5 Sep 85) 85

Serious Shortage of Cement Supply
(ZYCIE GOSPODARCZE, No 35, 1 Sep 85) 87

Factors Impeding Coal Production
(RZECZPOSPOLITA, 11 Sep 85) 89

Briefs

Stargard-Gdansk Rail Electrification 90
Polish-Libyan Trade Talks 90

ROMANIA

New Sources of Raw Material for Aircraft Plywood
(Rodica Sfaca, D. Marinescu; INDUSTRIA LEMNULUI, No 3, Aug 85) 91

MILITARY

POLAND

Compulsory Military Service Regulations Reviewed
(ZOLNIERZ POLSKI, No 40, 6 Oct 85) 100

POLITICS

CZECHOSLOVAKIA

Prospects for Human Rights Evaluated
(PROFIL, 28 Oct 85) 104

Muted Opposition, by Hermann Dworczak 104
Interview With Human Rights Advocate, Ladislav Hejdanek Interview 107

HUNGARY

Party Efficacy, Discipline Seen Wanting
(Jozsef Szetei; PARTELET, No 8/9, 1985) 110

POLAND

Election Procedures Clarified
(ZYCIE WARSZAWY, 8 Oct 85; RZECZPOSPOLITA, 8, 9 Oct 85) 116

Vote Count, Results Described 116
Validity of Votes Described 119
Recall Procedure Noted 120
Socio-Political Breakdown of Candidates 121

Osmanczyk Recalls Sejm Career, Urges Toleration of Opposition
(Edward J. Osmanczyk Interview; ODRA, No 9, Sep 85) 123

Follow-Up on Intelligentsia Role in PZPR, Society
(TRYBUNA LUDU, 2 Aug 85) 130

In Defense of Orthodox Theories of Socialist State
(Boguslaw Ponikowski; NOWE DROGI, No 7, Jul 85) 132

Fear of Punishment Will Not Stop Crime
(POLITYKA, 17 Aug 85) 136

YUGOSLAVIA

Reasons for Low Unemployment in Slovenia Examined
(Andrija Vlahovic Interview; VJESNIK, 12 Oct 85) 137

SCIENCE AND TECHNOLOGY

CZECHOSLOVAKIA

Question of R&D Flexibility in CEMA Context Evaluated
(Mirko Misik; HOSPODARSKE NOVINY, No 42, 1985) 142

POLAND

Research Contributions in Astronomy, Satellite Remote Sensing
(ASTRONAUTYKA, No 4, Apr 85) 152

Research on Fire-Resistant Plastic Molding Compounds
(Wieslaw Nowaczek, Waclaw Krolikowski; CHEMIK, No 8, Aug 85) 155

SOCIOLOGY

CZECHOSLOVAKIA

Western Ways Compared With CSSR Socialism
(Petr Stejskal; TRIBUNA, 20 Nov 85) 157

Dogmatism Criticized for Being Abstract
(TRIBUNA, 27 Nov 85) 160

Experiment With Ecology in Education
(Rudolf Koucky Interview; RUDE PRAVO, 2 Oct 85) 162

POLAND

Youth, Academic Affairs Featured
(Various sources, various dates) 164

- Rectors on New Higher Education Law, by Andrzej Skrzypczak 164
- New Szczecin University Described, Kazimierz Jaskot Interview 165
- Youth Plenum's Critical Self-Analysis 167
- Rectors of Art Schools Meet 168
- Meeting of Technical School Rectors 168
- Academies' Rectors Discuss Changes 168
- Proposed Ruling on Youth in Civic Affairs 169
- Amended Student Self-Management Law Noted, by Tadeusz Belerski 171
- Army Medical Academy Opens New Year 172
- PRON Hosts IX Forum of Young Generation 172

OFFICIALS CLAIM FARM PRICE REFORM PROMOTES WISE RESOURCE USE

East Berlin DEUTSCHE BAUERNZEITUNG in German Vol 26 No 34, 23 Aug 85 pp 6-7

[Article by Siegfried Doehler, deputy manager of the Office of Prices, Council of Ministers, and Dr Erhard Gerstenberg, acting deputy, Ministry for Agriculture, Forestry and Foodstuffs: "Thorough Analysis of the Effect of Set Prices in the Context of Planning in the Production Cooperation Groups"]

[Text] All the experiences from implementing the agricultural price reform confirm the fact that in the cooperation between crop and animal producers set prices have proven their value and enhanced the process of production cooperation. The partners have used them in order to increase the output of animal stocks using their own feed production, to increase the quality of accounting by the LPG's [agricultural producer cooperative] and VEG's [state farm]. Moreover, with the development and use of these prices there was success in penetrating deeper into the uniform reproduction process and in uncovering weak spots.

In order that set prices can also accommodate this role in the continuation of the agricultural price reform (see also DEUTSCHE BAUERNZEITUNG No 33, pp 6-7) it is necessary to analyze their effect thoroughly. Two questions are of importance in this for the LPG's, VEG's and their production cooperation groups councils:
—Are the existing set prices a genuinely real production standard for each partner in the production cooperation group, thus are profit and loss accounted for where they occur and accordingly must be taken care of?
—Are the set prices in line with the new conditions of expenditure?

Economic Differences Should Become Clear

The answers to these should lead to conclusions for shaping prices which will be in effect starting 1986. In the process consideration must be given to the fact that because of new industrial prices for agriculture production costs for feed will increase. In perfecting the set prices the LPG's, VEG's and their crop and animal production cooperation councils should rely on important experiences gained from working with the existing ones. Some of them are in what follows.

Thus, it has been repeatedly apparent that set prices play a decisive role in effectively shaping the uniform reproduction process and help mobilize reserves to increase production while simultaneously lowering expenditures. This requires developing them in a consistent manner on the basis of jointly developed yield and output goals and on the basis of costs which occur under natural and economic conditions. This is the most important prerequisite in order to express the actual performance of the partners correctly in the indexes of economic performance evaluation.

This is best managed by uniform set prices for all partners in a production cooperation group. If the production cooperation council wants to influence the development of the partners and for example lead those still weak in performance to the level of the advanced individuals then economic differences must first be made clearly visible. This experience was confirmed by Wolfgang Krueger, chairman of the Rollwitz production cooperation group council, Pasewalk Kreis, among others. In DEUTSCHE BAUERNZEITUNG No 17, 1985, p 7, he argued very appropriately that financial benefits via lower set prices for one partner are inadequate pressure to develop reserves.

Another important lesson is the fact that effective set prices must be the basis for a promising level of yields and outputs in crop and animal production. In shaping the prices effective in 1986, close cooperation with the maximum yield and output designs must be established more consistently than has been the case. Only then is the output-enhancing character of set prices correctly effective. However, if the point of departure is level of crop production which is too low for the site or if unjustifiably high prices are established for feeds, then the financial effects of the low yields will be noticed not in crop production, but rather in animal production. The latter will be burdened with unjustifiably high costs.

Stimulus to Use All Yield Reserves

If, however, because of low outputs in the stables, prices are established for feed which are too low, then production in crop production will take place with too low a profit or even at a loss. Then the farmers will hardly be interested in increasing production and quality of feed and the animal producers will have sufficient reason to exert pressure on increasing output.

It has also been proven necessary to establish justified relationships between the set prices for grain and coarse feed. They should promote full utilization of all yield reserves in coarse feed production and result in the most economical use of feed, especially grain. Balanced shaping of these prices is of the greatest enterprise-management and economic importance. The majority of the production cooperation groups in line with the guidelines from the Ministry for Agriculture, Forestry and Foodstuffs (1 January 1983) has set clearing rates for the formation of the set prices at the level of state manufacturer prices. In individual cases, however, M70 to 80 per deciton were established. As compensation appropriately lower prices were agreed on for coarse feeds.

In turn, such regulations can result in the fact that the agricultural enterprise achieves good economic results even if it only imperfectly utilizes the possibilities and reserves for coarse feed production. At the same time it can happen that the economics of pork production are substantially worsened. Thus it is extremely important to uitlize the latitude in set prices in such a way that no partner is advantaged or disadvantaged and favorable conditions for comprehensive intensification develop.

Furthermore, it is of economic interest to properly stimulate production and utilization of feed root crops which produce a high yield of energy. Important experiences were collected here with set prices for feed potatoes.

Establishing them in line with the guidelines mentioned, thus at the level of the state manufacturer price, has demonstrated its value in all cases where only or predominantly feed potatoes are produced. If the share of foodstuffs or crop goods in the overall yield is high, on the other hand, expenditure for production is largely borne by the proceeds from the main product. Under these conditions it makes sense to establish the set price for feed potatoes lower.

In the case of coarse feed it has generally turned out to be correct to take the actual cost for production as the basis in establishing set prices. Intermediate crops are an exception. Their price should be lower than their value in order to promote the utilization of the yield potential of the site. The recommendation to agree on lower rates for pasture feed than for stable feed has also found broad agreement. Thus, the interest in taking animals out to pasture and in saving transport costs is promoted.

As far as the differentiation of prices for feed--which are established on the basis of cost according to quality--is concerned, we have learned this is used too timidly. This principle should prevail: without compromise, Whatever is of use to the one partner (highest energy concentration) must also be of economic advantage for the other. But whatever is harmful to the one (low energy content) must not provide the other with a profit.

Vigorous Pursuit of Quality Also for Straw, Manure

Finally, set prices for straw, stable manure and liquid manure must be directed even more effectively toward increasing soil fertility. Studies showed that in 1984, in a number of LPG's and VEG's, no clearing rates were established for these products--often with the justification that each stalk of straw and every deciton of manure and liquid manure are beneficial to the soil anyway.

Then when these enterprises still used set prices they recognized what large reserves in respect to quantity and quality of organic fertilizers can thus be developed. So that increasingly more organic material is available and its effective use is promoted, the level of the prices even in the case of these important raw materials must be made strictly dependent on quality. This is a prerequisite for likewise interesting the crop and animal production collectives in developing all reserves. Stimulating this economically also becomes more regarding and compelling because starting in 1986 industrial prices for mineral fertilizers will be raised.

Focus on Growth With Reduced Consumption

In the past year there has been frequent confirmation of the fact that balanced set prices make a decisive contribution to deepening relations between the production cooperation groups and help increase efficiency. Thus, they gain in importance. Increasingly they must focus on raising production and lowering costs per production unit.

Carefully analyzing cooperative prices and revising them for 1986 is therefore of fundamental importance for cooperation between crop and animal producers in the uniform reproduction process which is organized on a proportionate basis. Each of the economically individually responsible partners should get equal opportunities for further growth in performance. Effective set prices are thus also an important prerequisite for preparing the 1986 economic plan and discussing the plan with the cooperative farmers and workers.

12124/9190
CSO: 2300/46

LPG MANAGERS RELY ON AERIAL PHOTOGRAPHY FOR CROP ASSESSMENT

East Berlin BAUERN-ECHO in German 17-18 Aug 85 p 7

[Article by Heiner Grienitz: "Interflug Offers Agriculture a Broad Range of Reconnaissance Flights"]

[Text] Why are many LPG [Agricultural production cooperative] chairmen taking to the air these days?

Generally there can safely be several very different reasons for something like that. In particular cases, which we deal with in the following, there are specifically two. The first: Because LPG chairmen want to get an overview of their enterprises from a higher vantage point. The second: Because today Interflug provides the opportunity to the agricultural enterprises.

In addition to the widely known agricultural aviation which many LPG's and VEG's [state farm] like to use Interflug has an additional special operation which offers farmers interesting service. This--remote reconnaissance, industrial and research flights--had invited representatives of agricultural enterprises and kreis and bezirk councils to a colloquium on "Use of Photography Flights in the Work with Maximum Yield Designs" at the beginning of August.

Six L-41 remote reconnaissance aircraft from the CSSR, three AN-2 which are known from agricultural aviation and two Wilga-type small aircraft, two multispectrum cameras, several aerial cameras, oblique and hand-operated cameras are the good material-technical basis which the remote reconnaissance, industrial and research flights enterprise has available for aerial photography. The range of services for the farmers comprises inspection flights and photographic stills and shots which are made available to the agricultural enterprise as aerial survey photography, oblique pictures, color slides, color videofilms and camouflage pictures (multispectrum photographs).

Since this year Interflug has been cooperating with 10 agricultural enterprises in a users research program. One of the first LPG chairmen to take to the air was comrade Dieter Schumacher of the Rhinluch Dreetz LPG. His reason for the flight: "All areas of our enterprise under cultivation have been improved, and I wanted to find out how the facilities are working. Today its no longer possible to do that on foot. Flying is the only 'practicable' alternative." According to Dieter Schumacher, flight gives the first overview as to whether the drainage is working well, where there are still waterlogged places and whether the irrigation facilities are optimally used, what the quality of soil preparation, fertilizing and cultivation was, among many other things.

Initial decisions on eliminating mistakes--if, for example, a drainage system is not working properly--or concerning the second application of nitrogen, in the case of grain, can be made right after the flight. Concrete determinations, for example: on changing the road network, field boundaries and field divisions, on locating windbreaks or new improvement facilities can be made from the photographs, slides and videofilms. Aerial photographs can by all means be used in this as planning documents. Very time-consuming measurements on the ground can then be partially eliminated.

Now the LPG chairman himself does not always have to take to the air. It can also be the production manager or another enterprise staff worker. The condition is that he must be fit for flying and very quickly find his bearings in the territory of the enterprise from the airplane. Costly minutes of flight can otherwise be very quickly wasted. To extend agricultural inspection flights, many colloquium participants suggested central training of agricultural cadres and the training of a few specialists for a kreis for this task.

Party colleague Dr Diethardt Vogel of the Beeskow field office of the WTZ [scientific-technical center] in Frankfurt/Oder has gone up several times for the Goerzig LPG. At the colloquium he was the most committed advocate of aerial photography flights. With a videofilm he showed how wet spots, soil compression areas, losses caused by winterkilling, cultivation errors, wild field roads, inferior growth on the headlands, among many other things, can be recognized from the air. He reported that in the Goerzig LPG there have been hard discussions in the work collectives about such aerial photographs. For example, about who fertilized the field whose strip fertilizing is so clearly visible from the air. Or who drove back and forth across the fieldgrass field in bringing out the liquid manure. In addition to the usages which were mentioned by Dieter Schumacher colleague Vogel pointed to the rapid recording of all areas under cultivation which are not being used or are being misused.

The colloquium revealed that estimating yield directly from the air and from photography and generally the use of the most modern method of reconnaissance from the air--camouflage pictures from multispectrum photographs--is still problematic. Both can be traced back to inadequate experiences.

If interested, please contact Interflug, remote reconnaissance, industrial and research flights, 1189 Berlin-Schoenefeld, Airport, telephone Berlin 6 72 73 49.

12124/9190
CSO: 2300/46

NEW STUDENTS, NEW CURRICULA CHARACTERIZE AGRICULTURAL FIELD

East Berlin BAUERN-ECHO in German 26 Jul 85 p 2

[Article: "New Curricula To Be Introduced Starting 1986"]

[Text] Starting with the 1985-86 apprentice year, approximately 20,000 leaving students will start an apprenticeship in agriculture. Boys and girls have a choice of 18 trades. Effective 1 September 1985 new designations of training jobs in agriculture, forestry and foodstuffs are obligatory for concluding contracts of apprenticeship. Dr Walter Richter, deputy minister for agriculture, forestry and foodstuffs, stated this in a press interview. He provided extensive information about the gradual introduction of new curricula in this economic branch, effective as of 1986.

This will involve further perfecting vocational basic training in order to better accommodate the requirements of social development and realization of economic strategy by a higher level of availability of skilled workers. Uniform basic agricultural training of the apprentices in animal and crop production in future will occupy 60 percent of technical training. Also in future, crop production apprentices will receive their practical training in animal production for 4 to 6 weeks, as will animal production apprentices in crop production. In the past, this route has proven to be best. In future, greater weight will also be placed on communicating the best lessons from practical experience and on findings of scientific-technical progress, including the key technologies. Skills and abilities relating to trades which are useful for individual housekeeping are also in the curriculum. Questions of socialist enterprise management and production cooperation groups will occupy a large segment.

Dr Walter Richter went on to say that 140 enterprise trade schools and enterprise schools with 5,300 instructors are available for vocational-theoretical training. About 12,000 cooperative farmers and workers work as instructors and lecturers in the LPG and enterprises of agriculture, forestry and foodstuffs. There are 41,300 boarding school places available for the apprentices. Every year 10,600 apprentices acquire the class C, E and T drivers license during their vocational training.

12124/9190
CSO: 2300/46

FARM MACHINERY MAINTENANCE PREVENTS FIRES AT HARVEST TIME

Schwerin SCHWERINER VOLKSZEITUNG in German 16 Aug 85 p 2

[Article by Andreas Klug: "Order and Safety in Agriculture Prevent Losses at Harvest time"]

[Text] The current situation in grain harvest makes it clear that this year cooperative farmers are also striving very hard to bring in the crops smoothly and with little loss. In the course of harvesting to date, specific measures for better order, discipline and safety have proven their worth. Yet there have also been losses.

A short circuit in the electrical system of a forage harvester on 6 August at the Grambow LPG [agricultural production cooperative] (P) resulted in a fire. It was possible to avoid greater damage because of speedy and prudent action while fighting the fire.

But this example shows how urgent it is to implement preventive maintenance on large harvesting, conveyer and blower equipment and daily control inspections before each use. At the same time safety from sparks from exhaust gas equipment on tractors, loaders, harvester-threshers, forage harvesters and W 50 must be guaranteed. It is necessary to regularly measure the temperature at dried fodder, hay and straw storage sites in order to effect restorage as needed if the temperature rises.

It is also important to have water ready for fire protection at the harvester-thresher complexes and during storage operations and to secure the harvesting equipment which has been shut off.

The managers, managing staff workers, safety inspectors of agricultural enterprises and the social forces, such as members of the fire protection groups of the volunteer fire department or volunteer helpers of the VP [People's Police] constantly carry out controls. These controls make it clear that in fire protection there are still violations of the law, and that the majority of fires which occur in agriculture can be avoided. In 1984, too, once again improper use of open fire, smoking in the vicinity of hay stacks, in barns and stables, igniting materials in the hands of children and fire sites which were not extinguished according to regulations were once again the most common causes of fire. Fires of substantial consequence were also caused by deficiencies or defects in forage harvesters, tractors or other harvesting equipment. But reference must also be made to the checking of electric systems in particular in agricultural buildings.

Everyone should keep this in mind: a healthy work atmosphere, a high level of work safety and economic growth in output presuppose, first of all, observance of order and safety.

12124/9190
CSO: 2300/46

OFFICIAL STRESSES KEY ROLE OF MICROELECTRONICS IN INDUSTRY

East Berlin STANDARDISIERUNG UND QUALITAET in German Vol 31 No 3, April 1985 pp 62-63

[Interview with Felix Meier, minister for electrotechnology and electronics; date and place of interview not given: "Microelectronics--An Essential Base for Upgrading"]

[Text] [Question] Why do the production and application of microelectronics play a key role in upgrading in our economy?

[Answer] This key role is due to the fact that microelectronics combines our economic goal of achieving maximum materials and energy savings with the greater progress we have to make in automating the production process and in developing more effective products and export product lines. The upgrading is a result of the much more efficient utilization of available material resources and of the work capacity of our society.

For instance, in teleprinters, a few microelectronic building elements have replaced 900 mechanical parts, and the microprocessor U 881 weighing a mere 5.4 grams has taken the place of 306 kgs of individual traditional components. Microelectronic measurement, calculating and automatic control technologies have made it possible to reduce the amount of energy which big chemical plants need for their production by about 30 percent. And the computer-aided development of production data for multi-spindle drill heads alone permitted the VEB Tool Factory Zella-Mehlis to save 14,000 hours of design capacity. In our ministry's area of responsibility, the use of microelectronics--it currently affects two-thirds of all production--made it possible in 1984 to shift about 5,000 workers to other tasks. More than 25 percent of all savings in working hours, i.e., the work capacity of 11,000 workers, are the result of microelectronics.

[Question] What bases have been established for that in our republic in recent years?

[Answer] Based on the strategic decisions taken by the SED Central Committee and the Council of Ministers in 1976 and 1979 to manufacture and utilize microelectronics in our Republic, our scientific-technological potential has focused on this central task, and the establishment of a microelectronics industry has been carried out with increased vigor. At the same time, the chemical, metallurigical, mechanical engineering sectors as well as the glass and ceramics industries have contributed their share to developing the microelectronics industry by providing specific materials and equipment. Numerous combines have set up centers of their own for the broad application of microelectronic findings, such as the textile machines VEB and the Werner Lamberz polygraph combine. However, in such sectors as building trade and transportation as well, ways have been developed to employ microelectronics in an increasingly better way. Because of its consistent realization of the goals laid down in those decisions, the GDR is one of those countries which have their own microelectronic base.

[Question] What role has CEMA cooperation, especially with the USSR, played in this successful development?

[Answer] Progress in the microelectronics area has only been possible because of the close cooperation, from the very start, with our socialist brother nations, particularly with the USSR. Based on government agreements with the USSR and general agreements within CEMA, we are getting part of the building elements used in the Republic. Thus the shipments of electronic components agreed on in the Annual Records on the 1985 exchange of goods between the GDR and the USSR, are entirely based on that agreement.

The long-term GDR-USSR cooperation program in the areas of science, technology and production in the period up to 2000 also delineates the key elements of cooperation in the microelectronics area in terms of a division of labor. This includes, on the basis of joint research, the development of modern basic technologies, new building elements and microprocessors as well as the manufacture of specialized equipments and materials for microelectronics.

[Question] How does your ministry, as the most important producer of microelectronics, work with other sectors in this matter?

[Answer] The electrotechnology/electronics sector alone could neither manufacture microelectronic products, nor could it meet the goals set out in the 5-year plan, to save about 25 percent in materials and energy. Development and production as well as their widespread utilization require the cooperation of many sectors, in particular the contributions of users.

Of course, for the combines in our industrial sector, the task of manufacturing economically-needed and more and more productive microelectronic goods also calls for close contact with the recipients. This affects not only conclusions with respect to the functionality or continued development of our products but, increasingly, the demands on the electrotechnology/electronics industry that result from development and production as well as from application of microelectronic results in other areas. In more and more combines, microelectronic devices are being manufactured in appropriate centers or as part of the construction of rationalization machinery, or existing standard solutions are being augmented and adapted to their own requirements. This means, on the one hand, extremely differentiated demands on the complementary supplies our sector has to provide. On the other hand, both the production and application of sector-specific solutions provide results which we must absolutely keep in mind in the general further development of microelectronics.

[Question] Why is it necessary for the accelerated upgrading and further intensification of our production to utilize microelectronics in the economy in a consistent manner?

[Answer] Accelerated improvement of our production--the 1985 economic plan calls for 32.1 percent in our sector--has two objectives: it is necessary to ensure, through product sales, a generally acceptable range of high-quality products, in demand both at home and in foreign markets. At the same time, we also must aim at minimizing the use of materials and time needed for their production as much as possible. Both tasks make comprehensive utilization of microelectronics mandatory. Likewise, international competitiveness--for the machine-building industry as well as for industrial consumer products--requires that they are equipped with microelectronics. For that reason, the 1985 plan for electrotechnology and electronics also stipulates that the share of our output affected by microelectronics must be expanded further.

Our economic strategy to improve our economic performance through comprehensive intensification while cutting costs, focuses on the need to rationalize and automate in all areas and on making continued progress in improving our products. Only by utilizing microelectronics in a comprehensive way can the speed be obtained that is necessary to upgrade and minimize our efforts. Computer-aided design is a particularly good example. With the help of so-called CAD/CAM work stations, the productivity of design engineers can be increased by 80-90 percent; expenditures for pre-production work are cut in half, and the transit time for new products decreases by 50 percent.

[Question] Are the high work productivity and net production growth rates in the electrotechnological and electronics combines a result of the targeted application of microelectronics?

[Answer] Through diligence and operational readiness, the roughly 480,000 workers in the electrical and electronics industry made it possible to achieve double-digit growth rates in their productivity and net production. The technologists, inventors and innovators have been working constantly to find even better solutions for technological processes, to rationalize and automate additional stages of production. In this, they have made systematic use of industrial robot technologies. About three-fourths of all rationalization equipments used by the industry has been designed and manufactured by the combines and enterprises. To a large extent, they have applied microelectronic solutions.

Our ministry's responsibility for intensifying, rationalizing and modernizing the production processes in all economic sectors makes it imperative for us to achieve, in the future as well, the high growth of production and work productivity.

[Question] To what extent are microelectronics also the basis for upgrading the consumer-goods production area?

[Answer] Not only do microelectronics increase the efficiency of machines and equipment, but their utilization creates consumer products that have significantly higher and, in some instances, completely new user characteristics. At the same time, the mass-power ratio is becoming more favorable and the energy consumption is lower.

At present, the electrotechnology and electronics industry manufactures consumer goods that make up approximately 18.2 percent of all industrial products; this reflects the growing use of microelectronics, primarily in radio and television products. Large scale integrated circuits bring about a significant improvement in user characteristics. This is similarly true for household sewing machines, automatic washing machines, refrigerators and cameras. Among the most recent examples are the new color TVs, modern electronic entertainment sets, the more advanced pocket calculators and quartz clocks which would not exist without microelectronics.

With the consumer-goods production increasing at an above-average rate, the range of goods will continue to widen in 1985 and, as planned, expand the availability of high-grade industrial consumer goods for our people and for export.

[Question] What do you consider to be the most important areas for utilizing microelectronics in our economy?

[Answer] The ninth session of the SED Central Committee emphasized that microelectronics are a critical link for up-grading production and increased productivity. With this in mind, the 1985 economic plan has determined the tasks for accelerated development, production and application. All sectors must make their contribution to the continued growth of microelectronic production, to raise its technological level and to expand the range of goods. The results of microelectronics must be applied everywhere at an ever faster speed to facilitate the overall rationalization and automation of entire production areas as well as the computer-aided preparation and management of production. For the development of improved goods for domestic use and for export--including high-grade consumer goods--as well as for the establishment of an appropriate production profile, the share of products affected by microelectronics is an important criterion for achieving the desired level. Finally, it is imperative to also make greater use of microelectronics in areas where they have already been instrumental in achieving first results. That applies to the material-and energy-saving optimization of technological processes as well as to the rationalization of information-processing routine processes.

7994/12790
CSO: 2300/45

PRODUCT LINES EMPLOY INDIGENOUS SILICATES, FLUOROCHEMISTRY

East Berlin STANDARDISIERUNG UND QUALITAET in German Vol 31 No 3, April 1985 p 66

[Article by Dr. Werner Dietzel, chemical division, Standardization, Measurement and Commodity Testing Office: "Development Concepts for Future Products and Processes"]

> [Text] In accordance with the regulation on quality development and assurance, the Standardization, Measurement and Commodity Testing Office (ASMW) is responsible for supporting the directors general of the combines in designing and implementing a long-term quality strategy in the combine. This requires that they must have their own views on both, how to achieve the most effective development in the combine in general, and also of concrete processes and products.

The ASMW Division for Photochemistry and Chemicals has issued instructions for the development of product requirements specifications in the chemical combines and established requirements for the development and sharpening of refinement concepts. To prepare product requirements specifications, the directors general have been provided with quality standards for the leading products that are based on the design concepts. The following publications were used to elaborate the development concepts:

--Domestic and foreign publications on photochemical products, anorganic and organic chemicals as well as special products, which have been analyzed for years and stored on card catalogs, arranged by work sectors. These analyses focused primarily on summary articles and monographs with international trend assessments in specific product areas.

--Publications and requirements of foreign-trade enterprises and the Ministry for Foreign Trade on product quality development as a prerequisite for ensuring exports. Consultation of the comprehensive collection of catalogs at the Central Institute for Information and Documentation (ZIID) in Berlin yielded valuable data.

--Comments and needs of domestic users and cooperating partners with regard to the improvement of products, product groups and manufacturing processes.

--Test results of foreign product samples, examined by ASMW, combines or scientific installations.

These information sources are also used for current updating and for annual revisions of development concepts.

Using Indigenous Raw Materials

One focal point of the division's work is to develop such concepts for additional key products and product groups and to document appropriate changes. Based on already existing results that focus on new product development by utilizing indigenous raw materials, governmental quality standards have been developed for, e.g., silicon and fluorochemical products.

The production of chemical products with silicon as basic element and having the greatest possible degree of refinement, is an economically important task. In addition to less refined products such as water glass, which is made of sand (silicic acid) and soda (GDR production over 100 kilotons per year) and which serves as base material for many other products (among them some for the rubber, paper and building material industries), and silicon carbide, also produced from sand (GDR production more than 5 kilotons) and used as abrasive, there are organic silicon compounds with very remarkable properties.

In 1983, the ASMW set a government quality standard for an important product of this group. The improved quality which the producer, the VEB Chemical Plant Nuenchritz achieved within a short time period has ensured continued NSW (nonsocialist monetary area) exports. The higher quality level had also a positive impact on domestic users. Another example of the impact ASMW has had on the development and introduction of high-grade products made from indigenous raw materials is the group of molecular sieves, manufactured by the VEB Chemical Combine Bitterfeld.

Molecular sieves are products with a special space and pore structure which permit separation of substances in the liquid or gaseous state because of their varying molecular sizes. These are essentially alumina silicates that can be manufactured synthetically and entirely on the basis of comestic raw materials by using the above-mentioned water glass. As a result of systematic R&D work, for which ASMW set a governmental quality standard, a new product is being introduced into production whose quality parameters, including its life in the chemical plant indicate top quality. This type of molecular sieve is being used to separate linear hydrocarbons (n-paraffins) made from hydrocarbon mixtures resulting from crude-oil production. These n-paraffins are the basic material for obtaining biodegradable products and for production of protein concentrates. These new molecular sieves, besides being used in the home market, are also part of chemical facilities exports to the USSR.

In designing the governmental quality standard, a fine tuning of the established quality goal parameters was very important. This tuning, done by ASMW, affected the prospective producers and buyers (here process implementors) as result of actual world-wide comparisons, based on application oriented test samples.

Fluorochemistry Becoming More Important

Next to the silicon chemistry, the fluorochemistry area is becoming increasingly important for research and development since the GDR has extensive fluorine-containing mineral deposits (fluorite).

Lately, fluorine-containing chemical compounds have gained importance in a number of product groups because remarkable properties could be obtained with them. This includes, among others, pharmaceutical products (even synthetic blood substitutes have been manufactured), surface-active materials for households and industry, substances for fire fighting and refrigeration as well as for pesticides and pest controls. Similar effects have been obtained with plastics and elastics. The degree of refinement, as expressed in the price ratio of fluorite and these fluorine compounds reaches 1:100.

The ASMW has influenced, and will continue to influence, the optimal expansion of fluorine-containing chemical products. In cooperation with scientific establishments and combines, the Ministry for Chemical Industry has worked out a concept for further development in this area. The ASMW has set government quality standards for specific products which will be part of the product requirements specifications. Thus a quality goal was set up for a fluorine product which, as part of the cooperation in the CEMA area, ensures the supply of fluorine plastics, particularly polytetrafluorine ethylene (PTFE). This quality objective guarantees top quality on a world-wide scale once production begins.

In summary it can be stated that, in addition to the consistent use of the literature, the detailing of product development concepts requires the cooperation of central government organs, combines and scientifical establishments.

It is essential that the users, including foreign trade interests, as well as the results of examinations of real comparison samples, be part of this. The design concepts for economically important products and product groups must be prepared in line with party and government decisions and must be reviewed on a regular basis. These materials support ASMW's justified demands that it have an influence on quality assurance, especially for product requirements specifications.

7994/12790
CSO: 2300/45

IMPROVED PRODUCT QUALITY ACHIEVED THROUGH INCREASED REFINING

East Berlin WIRTSCHAFTSWISSENSCHAFT in German Vol 33 No 6, Jun 85 pp 843-58

[Article by Manfred Kraft, Dr of Economics, Certified Mathematician. Born 1953, Scientific Assistant at the Central Institute for Economics, GDR Academy of Sciences; and by Udo Ludwig, Dr of Economics. Born 1943, Scientific Assistant at the State Central Administration for GDR Statistics. Original title; "On the Methodology of Quantitative Determination of Refinement in the National Economic Process of Intensively Expanded Reproduction"]

[Text] As the Politburo report to the 9th meeting of the SED Central Committee emphasized, it will be important over the next few years to "take a qualitatively new step towards higher refinement of production" (Footnote 1) (E. Honecker: "From the Politburo Report to the 9th Meeting of the SED Central Committee", Dietz Verlag, Berlin, 1984, p 36). It is the main road (Footnote 2) ("Economic Party Strategy--A Clear Concept for Further Growth," Dietz Verlag, Berlin, 1983, p 92) for permitting, with an almost constant supply of raw materials, a growing social product to supply the population, the economy, and exports, by applying effective scientific-technical solutions in a consistent way. This requires, on the one hand, far-reaching thinking and practical measures in research, development and production to improve and realize refinement concepts and programs of the combines. On the other hand there already exists much production refinement experiences, which must be theoretically consolidated in order to develop new reserves for management and planning of this process (Footnote 3) (H. Koziolek: "Higher Refinement of Raw Materials and Products--Condition and Expression for Further Increase in Effort and Economic Growth", "Wirtschaftswissenschaft", Vol 10, 1980; K. Steinitz, "New Conditions for Economic Growth in the Eighties", Verlag die Wirtschaft, Berlin 1982, p 89 ff.; W. Heinrichs, "Comprehensive Intensification and Reproduction Theory", "Wirtschaftswissenschaft", Vol 7, 1984, p 976 ff.)

In this connection, the quantitative representation of production refinement is an important problem. Further progress in this area permits better estimates of the achieved state of refinement, and helps to improve recognition of the dimensions of the specific higher refinement tasks, which must be undertaken in the new phase of realization of the economic strategy. On the combine and sector level, there exist a series of characteristics and criteria for the determination and evaluation of refinement (Footnote 4) (G. Jordan, K.-H. Reuss: "Economic Aspects of Increase of Degree of Production Refinement in the GDR", "Wirtschaftswissenschaft", Vol 3, 1982, p 363 ff.; H. Bachmann, K.-H. Bintig, Raw Material Refinement--A Determinant Direction of Development for the Economically Effective Utilization of Mineral Raw Material Resources", Ibid. p 372 ff.). For the capital replacement process at the level of the whole economy, it has, however, not yet been possible to represent refinement specifics in a quantitative manner. This is not only a question of correct instrumentation for the collection, measurement, and evaluation of refinement, but is primarily a problem of precise determination of the content of those things which must be quantized. This contribution will discuss a few points dealing with determination of refinement content and their consequences for economic measurement and effectiveness evaluation at a total economy level.

A Basic Problem of Refinement Content Determination

The manufacture of products with higher use value, is typical for production refinement. Its present state in industry is characterized by the material-ecomomic utilization of lignite, the deeper fractionization of crude oil, greater use of plastics and elastomers, further development of synthetic fiber materials, improvements in refinement metallurgy, development of new ceramic materials and technical glass products and by microelectronics (Footnote 5) (G. Mittag: "Economic Party Strategy Serves Further Realization of Course of Main Task", Einheit, Vol 9-10, 1984, p 807 ff.).

Basically, two approaches have developed in the scientific penetration of these processes. One emphasizes the technical-technological approach, and the other the economic nature of the problem. This is the nature of the problem, since production refinement deals both with development of productive forces and the conditions of production. Refinement processes were for a long time exclusively the subject of either natural science-technical and technological studies or of investigations of various branches of economics. (Footnote 6) (H.-D. Haustein: "Refinement and Innovation from the Economic View", Wirtschaftswissenschaft, Vol 7, 1984, p 1001 ff.).

From the view of refinement as an interaction of productive forces and socialist conditions, certain methodological problems result in content determination. From the view of technical-technological refinement, metallurgy has little in common with refinement chemistry, coal refinement little with textile refinement, and refinement in fruit growing little with refinement in the glass industry. A generalization of refinement content, seen from these specific viewpoints, has very narrow limits, since it is based on different goals and results of refinement processes, the required specific work phases, the needed machines, installations and materials, and the underlying scientific-technical knowledge and principles. On the other hand, the related specifics of productive force development often take second place in economic studies of refinement.

Thus refinement is sometimes considered generally synonymous with production (Footnote 7) (M. Buechner, H. Willems: "On Several Questions of Higher Refinement of Energy Sources, Raw Materials and Intermediate Materials Under Conditions of Intensive Expanded Capital Replacement", Wirtschaftswissenschaft Vol 9, 1984, p 1316), or the expected economic effect is considered the cause (Footnote 8) (see the informative report on a meeting of the research group "Planned Utilization of Product-Money Relationships" at the Franz Mehring Institute of the Karl-Marx University Leipzig, by R. Eberhardt, R. Kaestner, "On Politico-Economic Questions of Higher Refinement of Raw Materials and Fuels", Wirtschaftswissenschaft Vol 10, 1982.)

On Refinement Content in Production Process

An approach to the generalizable determination of refinement content from the view of productive force development is possible by an analysis ofthe labor process. By defining its factors, Marx has shown those simple elements, which form the basic structure of productive forces. (Footnote 10) (Categories of Historical Materialism, Dietz Verlag, Berlin 1978, p 121). These simple elements are an abstraction with which, freed from the concrete productive forces and the specific production conditions, those conditions can be generalized, under which labor can actually be effective as a goal oriented activity. In the section on the labor process it is stated in "Capital": " In the labor process...human activity ... effects through means of labor an a-priory caused change of the labor object... its product is a use value, a natural material, adapted through a change in form, to human requirements. Labor has combined itself with its object. It has been concretized, and the object has been processed ." (Footnote 11) (K. Marx, F. Engels: "Werke" [Works], Dietz Verlag, Berlin 1956-1968, Vol 23, p 195). In this way Marx defined the processing of the labor object as a general characteristic of each purpose-oriented productive activity. Its refinement requires additional definition if its content generally differs from manufacture. To find it, is a task of further research.

One task of refinement is the production of items of higher use value. This too is a characteristic of every purpose-oriented productive activity. In a labor process the use value of the labor object is absorbed as a forming element in the use value of the product. In this sense the labor product basically has a use value, vis-a-vis the labor object, which is not only new but also higher. But, this transition to greater use values contains further definitions which could in a specific instance allow general processing of a labor object to become a refinement process.

In this transition one deals with an objective situation in the labor process, which relates qualitatively different use values to each other, based on their level. One way towards solving this detailed problem of the labor process uses a measure, where the "magnitudes" of the use value of the labor object and labor product are compared with each other. The general question arises what the basis of such a comparison of use values might be. Is the besis derived from the use value itself, from the requirement which it satisfies, or from the process which produces it? This question is answered differently in the economic literature. (Footnote 12) (Ahrends and Moebis measure refinement by the changed use properties of the product, vis-a-vis the labor object (see also K. Ahrends, G. Moebis "The Economic Program of Refinement--Politico-Economic Aspects (Theses)", "Wissenschaftliche Zeitschrift der Hochschule fuer Oekonomie 'Bruno Leuschner' Berlin", Vol 3, 1983, p 87 ff); other authors reduce this problem to the measurement of product quality).

According to Marx a use value is " a thing, that satisfies human needs of any kind through its properties. " (Footnote 13) (K. Marx, F. Engels "Werke", loc. cit. p 49). The satisfaction of human needs through appropriation of natural materials was the direct result of an undivided, unique labor process only in the beginning of the history of man. Today a raw material taken from nature possesses this use value only in very rare cases.

With the development of productive forces and production conditions, adaptation of natural materials to human needs was achieved through ever changing work processes, in which labor became socially more and more divided. The simple labor process has changed into a socially combined labor process and the products of its individual phases need no longer possess use values for the satisfaction of human needs in the immediate sense, but only " relative to the utilization which further labor makes of it ". (Footnote 14) (Ibid. Vol 42, p 278).

In the course of this development requirements have expanded and increased. They have separated, with the social division of labor, into those of production and those of consumption, i.e. into productive and consumptive rquirements.

Each labor process and the requirement satisfied by its product is more or less closely related to a consumption requirement, which is the end purpose of capital replacement. The characterization of the labor product use value as a greater use value, compared to the use value of the labor object which has been included in its formation, the place of this use value in the system of requirements is not a primary consideration, whether it is a productive or consumptive, primary or secondary, real or only imaginary requirement. It is of importance, that the higher product use value, compared to the labor object use value, is brought about by labor processes. In drafts for "Capital" Marx wrote: " If one speaks here of 'higher' use values, one does not speak of morals, not even that the new use value assumes necessarily a higher rank in the system of needs. Grain which is made into liquor, is a lower use value than liquor. Each use value, which forms an element of a new use value, is a lower use value, compared to it, since it forms its elementary basis, and a use value is the greater, the more labor processes the elements, from which it is formed, have passed through; the more complex its existence is ." (Footnote 15) (K. Marx, F. Engels "Gesamtausgabe (MEGA)"[Marx Engels Gesamtausgabe], Vol 2/3.1, Dietz Verlag, Berlin 1976, p 51).

This relationship between the number of processing phases and the use value level is the usual case, but in some specific cases the situation may be different. (Footnote 16) (Examples are backwards integration, the elimination of manufacturing and processing phases in forward integration, and generally, elimination of processing and manufacturing phases. Such cases must be treated separately when the use value level above the processing level of the base materialis determined. See also Footnote 22).

The processing level has not only a technical-technological side, but also an economic one. In socialist production the labor process and the value forming process are one. As a product, raw material or natural material resp. the base material, has absorbed a greater or lesser amount of human labor during its progressive adaptation to human needs in the various processing phases. Marx once described this as follows: " In different use values the proportion between labor and natural material is quite different, but the use value always contains a natural substrate". (Footnote 17) (K. Marx, F. Engels: "Werke" loc.cit. Vol 13, p 23). While during the transformation process human labor combines with the labor object into a labor product, labor power obtains the labor already embodied in the labor object, and adds further labor, one part, which is transferred from the labor means to the labor object, and another part, which it creates in the form of new value. Compared to the labor object, each labor product incorporates a higher quantum of social labor. (Footnote 18) (This situation is sometimes interpreted as transition to labor intensive products. What proportion of expenditures are formed actually in these "additional" manufacturing processes, depends on the totality of production conditions and their combinations in the particular process. This must be determined more precisely by empirical investigations of costs and other expenditures). It is "more value intensive". (Footnote 19) (W. Schliesser: "Structure of Developed Socialism and Socialist Goods Production" in "Contributions to the Theory of Goods Production and the Law of Value in Socialism", Institute for Economics Bruno Leuschner" Berlin, Research Report of the Section Marxism-Leninism, Berlin, 1983, p 21).

But not every arbitrary addition of social labor contributes to this value increase. Only that amount of labor contributes to a value increase, that is expended to the extent that it is socially required. The magnitude of this value increase in toto, and per product, depends on the state of labor productivity and on the general scientific-technical production level in the particular production sector. The greater the scientific-technical level of production and the labor productivity, the smaller is the value increase. But it is always positive. Thus the differing use value levels of products made of the same base material are mirrored in the hierarchy of values of goods. (Footnote 20) (What is generally true for production result measurements in terms of economic expenditures is also valid here, with some limitations. Since the magnitude of the value is also influenced by factors which do not have a direct relationship to the produced use value level, the relationship between the cited hierarchy of expenditure quantities and the use value level is fundamentally often somewhat biased. There are however statistical measurement methods, which permit to factor out effects of unsuitable development trends of expenditure and use value levels).

In a developed production environment and with division of labor, an average ratio between labor and natural material is established in terms of use values. These ratios, which are based on different labor and natural materials, resp. labor and base materials, indicate the particular socially normal processing level of a certain raw material, resp. base material. This average processing level
(Footnote 21) (In contrast to the averaging in value determination, from an expenditure view, not only the individual enterprise expenditures are basic here, but also the different types of goods. The common reference point is the same raw material, or basic material, from which use values are manufactured. One deals here, so to speak, with a hierarchy of expenditure quantities in a twofold sense. Enterprise-operational expenditures for production of a type of goods form a hierarchy of the first order, and determine the product value, In the simplest kind of value determination, an average value results, which indicates the product value as part of all products of the same type. The thus formed average values form a hierarchy of the second order, for all types of products, which are made of the same raw material type, having followed the step process for that material. This hierarchy of average expenditures is again an average, based on which the totality of products made from one material can be classified into various groups. Its deeper political-economic meaning remains to be researched further.)
changes from material type to material type and divides the whole assortment of products made from one material, into three groups: goods with low, average, and high processing level and use value. According to their classification as higher use value, refined products are those, which excel through an above-average high processing level of a raw material. (Footnote 22) (In order to avoid erroneous product estimates in case of conflicts between use value level and degree of processing, the situation can be modified in the manufacturing process before backwards integration or elimination of process phases.

Refinement in an economic sense, deals with the production of value intensive products from an existing raw material or base material, has a production value level based on the above-average processing level of the labor object, and has an average use value level of the goods. The increase in use level by quality improvement is included in this.

In this more general sense, refinement is not only a matter of traditional refinement areas of the economy, but an economic situation which affects all sectors, those dealing with base materials as well as the processing sectors and the final branches of social production, the manufacturers of means of production as well as the producers of consumer goods. If the labor object, which is to be processed in an above-average manner, is a raw material, then raw material refinement is a task of the base material sector.

Higher refinement has, in this connection, not a goal of some increase in value and use value of production, but a goal which will raise, by use of modern technology and the production of new products, the processing level of domestic and imported raw materials and base materials beyond the up-to-now reached socially normal level and will thus raise the total level of production. For this, the total level of scientific-technical work in the economy amd the broad utilization of the educational and qualification potential of the workers are decisive factors. (Footnote 23) (What changes in expenditure ratios this will cause, must be left for further studies. First empirical results show, that there is no strong deterministic relation between the processing level of the labor object and the level of used educational and qualification potential of workers. Utilization of this potential depends on further factors, which must be sought in the state of development of the material-technical base of the particular production phase.) One must achieve a state of labor productivity with the new products and modern technologies, which simultaneusly surpasses the international level. The better this succeeds, the sooner it will be possible to realize domestically produced values in international exchange, both, the part which has been transmitted to the product by human labor, and the part which has been newly created.

Refinement causes structural changes, which leads to a shift of the production structure towards products with above-average processing levels of labor objects, which also requires rapid renewal of the production facilities. The crucial point for an effective course of development is a production of high use values which on one hand respond to the needs of the population, the economy and of export, and at the same time permit to completely realize the expenditures of human and concretized labor used for their production. (Footnote 24) (E. Garbe: "Socialist Rationalization and the Development of new Mass Materials", in "On the Socialist Realization of Industrial Combines " Akademie Verlag, Berlin, 1883, p 106 ff.).

Problems of Refinement Measurements from Economic Viewpoint

Production refinement is a task of all material processing combines and enterprises, branches and sectors of the economy. At the production branch level, the classification of products based on the processing level of the labor object can be managed by appropriate experts and is realizable in practice. The volume and the share of refined products of the total production of an enterprise, a combine, or a branch, can be measured accurately, based on branch-specific criteria. A good example is coal refinement:

In the coal sector of social production in the GDR, the quantity of lignite used for energy purposes uniquely determines the socially normal processing level of lignite. Coal refinement, however, provides byproducts in the form of high grade fuels or of substances, which are used for further processing into organic-chemical products. For this, coal is subjected primarily to thermal processes of gasification and degasification, precisely those processes which permit an above-average processing level of the labor object coal. Byproducts of these processes are high use value materials, such as coke, tar and gases, but also ammonia, benzene, naphtalene, phenol and sulfur, which in turn are base materials for plastics, synthetic fibers, paint and explosive materials, pharmaceutica, pest control and others (Footnote 25) (See "Lexicon der Technik", VEB Bibliographisches Institut, Leipzig, 1982, p 307). Similar relationships exist in other traditional production refinement areas, such as the chemical industry and metallurgy.

A point of departure for the branch-specific determination of refined products is the existence and unique determination of "in-line" sequential processing phases, more precisely, a linear step sequence of the production sectors, departments, enterprises, or combines participating in the production process of the particular material. The apparent existence of such a linear production step sequence within a branch disappears as soon as the production process is viewed from a level of the total economy, from the first to the last step. On the total economy scale the relatively independent operational, combine, and branch production sequences interlink in a continuity of parallel and sequential processes, into a total economic capital replacement process, where they are, at the same time, both, causes and results. (Footnote 26) (W. Heinrichs: "Comprehensive Intensification and Reproduction Theory", loc.cit. p 979). The original raw material must, because of the interdependence of production between the branches, combines and enterprises in this total process of social capital replacement, as Marx said, " pass through a whole sequence of different processes, where it functions as raw material, always in different form, up to the last process which delivers a completed means of livelihood or of production ". (Footnote 27) (K. Marx, F.Engels: "Werke", loc.cit. Vol 23, p 197).

In this total process from raw material to final product of the economy the linear manufacturing processes of individual raw materials and base materials relate to each other on the individual branch levels ,and the refined products of one branch become the material of another branch. Material flows of individual, manageable branch processes of raw materials or base materials blend into a unified material flow of the total economy, whose partial processes are interlinked with each other.

This interlinking is expressed in different forms. First there is the well known differentiation of industrial labor objects. (Footnote 28) (E. Garbe, D. Graichen: "Economic Use of Materials", Verlag die Wirtschaft, Berlin, 1976, p 29 ff.). Product lines are becoming broader, new processing methods, combinations of materials, mixtures of materials, and an increasing number of compounds are used. Second , with increasing partitioning of production and the division of labor, various raw materials, base materials and their processing results do no longer determine the labor object, it now is formed by whole building blocks and components. Third , almost all material processing branches also include raw-material producing phases. In general the material producing phases precede the material processing phases, based on the material flow. But in many modern production processes raw material- producing,

-transforming, -synthesizing, and material regenerating processes alternate with each other, augment each other and form technological units in many enterprises and combines. (Footnote 29) (Authors' Collective: "Material Economy of the GDR", Verlag Die Wirtschaft, Berlin, 1982, p 150 ff.). Fourth, the simple time and space sequencing of the production phases is becoming an interwoven network of combines, enterprises and branches. Traditional one-on-one relationships are becoming multistep production processes and even loops within the material production. As an example, investment goods branch products enter as substitute investments in branches, which, directly or indirectly, participated in their manufacture. Here the capital replacement process of a single product becomes a circular process. Fifth , the linear phase sequences of production in processing of individual raw materials do not necessarily correspond with each other, when seen from a heterogenous end product view of the economy. Thus the chemical industry precedes agriculture in the sequence of food production, while the reverse is true in the production of clothing.

In connection with this and other processes the possibility of branch-specific evaluation of the production processing level becomes more and more limited as distance from the raw material branches increases. Now the question of establishment of refinement areas, as seen from the total economic view of capital replacement, poses a new question. This determination must be based on all branch interdependencies and on all raw materials and base products and must specify those areas of economic production in which raw materials are processed at a level above the reached social normal level, as seen from the total economy. Here raw material refinement appears no longer as final and highest processing step in the particular raw material branch, but it rather is a link in a long chain of production steps, which finally lead to an economic end product, which has been produced by even another branch. One must determine those branches, seen from the economic production flow, starting with the raw materials through the processing branches, to the final producers of economic end products in the course of a capital replacement cycle, whose value and use level is based on the above-average level of processing of all used raw materials.

This task may appear unsolvable because of the dependencies of the branches on each other in the production process. The production strucutures of developed economies show more and more non-linear or circular relationships. But despite of these increasing, and on first sight dominant dependencies, a more detailed analysis shows, that over three quarters of all branch deliveries are based on a linear model of the production structure. Behind the many interdependencies and interactions of the branches usually exists a linear sequence of branch steps, from the extractive branches, through the processing branches, to the final producers. To define them in concrete terms for the whole economy is therefore no trivial task. (Footnote 30) (Naturally the problem of dependence of production at a particular processing level on the production of other branches also shows up in determination of refinement from a branch standpoint. Besides the actual labor object, the raw material being considered, or its processed products, there may be other raw materials, or intermediate products used by other branches, or parts of the processed raw material may leave the process under consideration, and find use in other steps of branches as a labor object. In such structural analyses these interdependencies with other branches can as a rule often be ignored, because the linear character of the production process in the considered partial process strucuture dominates. This is especially obvious when partial linkage results are considered. In a model of the forestry - wood processing industry sector with over 10 subsectors, return deliveries occured only in one place, which caused deviations from the strictly linear basic model, and also in the metallurgy area partial linkage results documented this dominant linearity.

Application of Network Models to Economic Production Step Sequences

For an economic analysis of production refinement it first is necessary to clarify that sequence of production steps within the clearly visible linkages and dependencies of all product groups, which does most closely resemble the product flow from raw material to the end products of the economy. Special methods were developed as part of the structural research to derive these step sequences. They are usually based on economic network models. Network models are highly detailed representations of the production and capital replacement process of an economy. They reflect not only the immediate relations betwen the individual branches in the production process by capturing direct material deliveries and other services quantitatively; beyond this, they also permit determination of complete resources for a certain end product of the economy. Added to the complete material expenditures are indirect expenditures. The complete expenditures thus include--summed over all previous production processes--that total production which assures simple capital replacement for production of the considered end product in all branches of the economy. Thus the economic network models show the linkages of the various product groups or branches with each other, and their linkages with the manufacture of the end products of the economy and the utilization of available raw materials and intermediate products.

In order to characterize the sequence of steps within the linked relations, which express the linear character of the economic production process from raw material to end product, and to measure their time variations, the network models are triangulated. (Footnote 31) (M. Kraft: "Measurement and Ordering of Economic Linkages According to Step Sequences of Branches and their Evaluation According to Macroeconomic Criteria by Economic Network Models", Dissertation, Central Institute for Economics of the GDR Academy of Sciences, Berlin, 1983, p 68 ff.) For this purpose rows and columns in a matrix A, whose elements, a_{ij} cover the dependence of production of the j-th product group on the production of the i-th product group quantitatively, are simultaneously rearranged in such a way, that the sum of dependencies which oppose the basic direction of the economic production flow are minimized. This, at the same time, achieves that in the triangulated sequence, branch production is, as much as possible, only dependent on the production of the preceding branches.

$$\sum_{i=1}^{n}\sum_{j=i+1}^{n} a_{ij} \to \max!$$

$A = (a_{ij})$ – Matrix der Abhängigkeit des Zweiges j vom Zweig i.

In this manner the triangulated step sequence approximates a pure step process, where each step is, as much as possible, only dependent on the previous step. Because of the attempted linear sequence of the individual branches, corresponding to the basic direction of the economic production process, the relation between each two branches, which correspond to this basic mode are called linear dependencies or displacements, and those which oppose the basic direction, circular dependencies or backwards displacement. Links within a branch and the resulting in-branch dependencies cannot be allocated either to the displacements or the back displacements and are not considered in the matrix triangulation.

In addition to the triangulated sequence of branches, i.e. that sequence which corresponds best to the basic direction of the economic production process, other global and branch-specific characteristics can be calculated, which permit statements about the analyzed production structure. The share of linear dependencies between each two branches in the framework of the generally valid interdependence of all branches with each other is called /triangulated degree of linearity/ of the matrix A and is designated L:

$$L = \frac{\sum_{i=1}^{n}\sum_{j=i+1}^{n} a_{ij}}{\sum_{i=1}^{n}\sum_{j \neq i} a_{ij}}$$

Here $1/2 \leq L \leq 1$. The greater the degree of linearity, L, the more the analyzed economic production structure corresponds to a linear model, and with L = 1 there are no circular dependencies between the branches. Our investigations have shown, that the linear dependencies are not only the historical precursors of mutual interdependences between the branches, but that this linear basic model is also preserved in the circular branch structure. The linear branch arrangement is today still dominant in the manufacture of a single product, or a limited group of related products.

In addition to the question, to what extent the economic production structure can be approximated by the linear model, it is also important to measure, how the individual branches and their relationships fit into the other producers in this economic production structure.

$$LS_i = \frac{\sum_{j=1}^{i-1} a_{ji} + \sum_{j=i+1}^{n} a_{ij}}{\sum_{j \neq i} (a_{ij} + a_{ji})}$$

The sectoral degree of linearity of a branch, LS_1 places inputs to this branch, corresponding to the triangulated step sequence derived from preceding branches, and outputs to following branches into a ratio to the total branch linkages, which also contain inputs from following branches and outputs to preceding branches. Thus the sectoral degree of linearity indicates how well the analyzed branch fits into the economic production flow from raw materials to end product. At the same time the branch classification permits, based on sectoral degrees of linarity, further statements on the production structure of the econmy, since it is now possible to recognize subgroups within the linear branch sequence, which are related circularly to each other in a more than average manner. Examples are branches of the raw material industry, or such groups of branches, which form independent (parallel) sequences, such as production flows in metallurgy or in agriculture.

Experimental Calculations for Determination of Production and Refinement Steps from an Economic View

For determination of refinement branches in the economic production step sequence it is economically meaningful and possible, from a methodology standpoint, to group the branches according to their "distance" from the economic end product. Those branches, whose products have to pass through relativley many production steps before they are used as consumer, investment, or export goods are placed as far as possible towards the beginning of the sequence; those branches, whose products reach end use directly, or after passing through only a few stages, are located at the end.

In economies with highly complex branch linkages, a mechanical "counting" of remaining or already passed steps does not lead to a useful result, since an unweighted summing usually, because of the circularities, yields infinite results. This dilemma can only be overcome by economic weighting of the individual steps. If the individual, still to be passed, steps, are weighted with the extent of the utilized production, the still remaining "distance" to the end product can be approximated with the matrix of the total expenditures. (Footnote 32) (In the relevant literature direct expenditure matrices are usually used for triangulation. The thus obtained branch sequence reflects technical-technologically determined dependencies and is also partially determined by the share of the individual branches of the total economic product. In order to exclude this second effect, the coefficient matrix of direct expenditures is used for triangulation. It is our opinion, that among all possibilities for determination of economic step sequences by quantitative network models, direct expenditure coefficient matrices are useful for derivation of a technical-technological branch hierarchy, while the total expenditures matrix better serves to show the flow of primary resources, especially of raw materials, in their flow through the processing steps).

On the basis of experimental studies with a network model of 13 aggregated product groups, a production step sequence was developed, where 5 branches of the material production, depending on their position in the system of social division of labor, specialization, and cooperation, each furnish products which lie below, resp. above, the average processing level. (Footnote 33) (In this evaluation of the experiments, pure service branches--traffic and communications, domestic trade--and other producing branches were excluded from the discussion because of their heterogeneous product structure.) As table 1 shows, these are the branches of basic materials industry and electrical manufacturing/electronics. (Footnote 34) (The classification of electrical manufacturing/electronics as a below-average level production step shows on one hand that it is placed after the base material steps, primarily metallurgy and the chemical industry. On the other hand it must be observed, that the data for the calculations go back to years, where production and application of microelectronics was still in its infancy. Here further calculations with more current data must be made to reach conclusive results).

With an aggregation level of only 13 branches, the results of the studies are naturally somewhat limited. Theoretical derivations and calculations with disaggregated figures confirm, however, that the triangulated degrees of linearity are largely independent of the degree of aggregation.

Of interest is the end position of forestry and agriculture in the triangulated sequence of the 10 branches of material production. This is, on one hand an expression of the high degree of technology and chemistry, which leads to the result, that a large part of the production is provided as input into agriculture, while the agricultural products move rapidly to the end user via the food industry. On the other hand the price basis used in this branch, with its undervaluation of agricultural products before the agrarian price reform of 1984, leads naturally to a statistically low processing degree. The reform of agrarian prices, for example, which now has become effective, will not only stimulate refined production within agriculture, but will also contribute to better define the place of agriculture in the economic process of capital replacement and to make it more useful for the refinement strategy.

The calculations permit, despite their experimental character, certain conclusions, for example, where from an overall economic viewpoint, the refinement steps of production are located. These steps are primarily branches of the metal working industry, the light manufacturing and food industry, and building construction industry, all branches and areas wich have a large share of end products, in form of investment and consumer goods, for the needs of the population, the economy, and of export. More deeper insight will be obtained with desaggregated network models.

Higher refinement of production thus does not only include structural changes towards higher processing steps within the branches, but also structural displacements in the direction of the already mentioned production phases in the economic process of intensively expanded capital replacement.

The triangulated step sequence for determination of refining branches is of importance in two respects:

First, production refinements can be compared, without limitations, through the concrete form of the labor object. It must be observed that

Table 1. Production Step Sequence According to Distance from End Product of GDR Economy

(A) Stufenfolge	(B) Zweig	(C) LS_i (Prozent)	(D) Stufenfolge der stofflichen Produktion	(E) Verarbeitungsniveau
1	Energie- u. Brennstoffindustrie	88	1	(F) unterdurchschnittlich hohe Verarbeitung
2	Metallurgie	91	2	
3	Chemische Industrie	83	3	
4	Baumaterialienindustrie	88	4	
5	Verkehrs- u. Nachrichtenwesen	75	—	
6	Binnenhandel	74	—	
7	Elektrotechnik/Elektronik	76	5	
8	Land- und Forstwirtschaft	89	6	(G) überdurchschnittlich hohe Verarbeitung
9	Leichtindustrie	74	7	
10	Sonstige produzierende Zweige	74	—	
11	Maschinen- und Fahrzeugbau	83	8	
12	Bauwirtschaft	95	9	
13	Lebensmittelindustrie	88	10	

Triangulated Degree of Linearity, L = 84 Percent.

Source: Own Calculations.

Key:

Step Sequence (A)

1	Energy and Fuel Industry
2	Metallurgy
3	Chemical Industry
4	Building Material Industry
5	Transportation and Communications
6	Domestic Trade
7	Electrical Manufacturing/Electronics
8	Agriculture and Forestry
9	Light Manufacturing Industry
10	Other Producing Branches
11	Machinery and Vehicle Construction
12	Building Construction
13	Food Industry
(A)	Step Sequence
(B)	Branch
(C)	Sectoral Degree of Linearity LS_i
(D)	Step Sequence of Material Production
(E)	Processing Level
(F)	Processing Level Below Average
(G)	Processing Level Above Average

the result of this comparison depends both on the position of the branches in the division of labor of the production process and also on the realized processing steps in the branch.

Second, it also becomes possible to evaluate the refinement of production within one branch more cmpletely. Triangulation permits, for the first time, to determine an economically average processing level, which serves as a base for measurement and evaluation of the processing steps in a branch. This is a generalization of the material refinement category, which deals with the processing of one raw material, or base material.

These results of the empiric analysis can be summarized as follows: Production of economic end products proceeds in economies which are organized on the basis of division of labor in various branches in a predominantly linear sequence of steps. This sequence of steps, which can be determined with triangulation and network models, corresponds as closely as possible to the economic production process, from raw material extraction, through processing stages to the end product. This sequence also represents the step-wise process of expression of the use value of the end products. It thus represents the step-wise increase of the economic processing levels in the individual processing steps of the used materials. In order to evaluate the refinement in partial processes, it is therefore necessary to view this partial process in connection with the basic linear structure of the economic production process. The more this partial process contributes to progress towards the economic end products, the greater must the refinement in this partial process be assessed.

On Refinement Effectiveness Evaluation

With the transition to higher refinement steps of raw materials and to higher steps of production in the economic process of capital replacement as result of refinement, material consumption increases, as compared to raw material use. On the one hand this development opposes the tendency to decrease economic expenditures by lowering the production and material consumption. On the other hand the economic result increases. In each production and processing step new value is added to the labor object and this new value, created through human labor, accumulates, based on a simple formula
(Footnote 35) (In reality this relationship is much more complex. It is valid for the end product without substitute investments, and the product value of a product depends, because of the production linkages, directly or indirectly on the socially necessary labor expenditures for the manufacture of all other products)
beginning with extraction of raw materials, over their increasingly greater processing to the total value of the products, which leave the economic process of capital replacement as end products in form of consumer goods and means of labor, resp. in the form of export goods. The ratio of these two opposing tendencies is of importance (Footnote 36) (The possibility of more rapid output growth (produced national income), as compared to input growth (material consumption) has been mentioned in previous

discussions (W. Barthel, W. Karbstein: "On the Discussion on Some New Aspects in the Evaluation of Growth Relationships Between Gross Social Product and National Income as well as Between Departments I and II", Wirtschaftswissenschaft", Vol 2, 1967, p 202 ff.), so that refinement and production effectiveness can be unified. In other words: If effectiveness of social production is to increase through refinement, effectiveness of raw material utilization must at least increase more rapidly than the degree of processing (Footnote 37) (This becomes clear, when the numerical relation between material effectivenss, raw material effectiveness, and degree of processing is considered. If N is the produced national income, resp. end product, M the material consumption and R the raw material employment, the material effectiveness ME can be expressed as: ME = N/R:M/R). The latter designates the ratio of material consumption to raw material employment.

Products, which are, because of their nature as above-average processed products, highly refined, must stand out above ordinary, non refined products, according to this law, by greater raw material effectiveness. Investigations on effectiveness of raw material employment (complete raw material expenditures) based on numerical value characteristics, have confirmed this principle. (Footnote 38) (See also investigations carried out under direction of G. Koehler at the Economic Research Institute of the State Planning Commission: "Economic Analyses on the Energy and Material Economy and on Import Utilization Based on Total Expenditures", Economic Research Institute of the State Planning Commission, Department Network Models, Berlin 1982, pp 3-9 and 16-21). The raw material effectiveness in production of products of the refinement branches of the economy in the sense of these step sequences had a tendency to appear greater than in the other branches. Deviations from this statement are due, rather to peculiarities of price formation in some branches, for example the food industry, rather than being challenges to the accuracy of the formula.

With the increase of the processing level of raw materials or base materials above the socially normal level at certain places of the processing cycle, from raw materials to final product, an additional expenditure of social labor in human and concretized form occurs. This additional effort of social labor in the refinement step, compared with production of non-refined products, must be balanced by a high use, so that the effectiveness of social production increases. This becomes possible when the higher use value of the refined products is capable of such a use in further processing and production steps. It thus becomes practically effective, so that the increased labor productivity of social labor, vis-a-vis the use of non-refined products can be saved to such an extent, that the additional effort in the refining steps is more than compensated. Only on the basis of such complex economic considerations can decisions be made, also in an individual case, on the economically best processing level. For this, detailed economic analyses are always required. (Footnote 39) (An important product-specific characteristic in this connection is the export kilo price (H. D. Haustein: "Refinement and Innovation from an Economic View)" loc.cit. p 1012 ff.)

In this complex situation refinement is a way towards increase of effectiveness of social production, which is characterized by an increase of use value of products as result of increased processing of labor objects, based on scientific-technical progress. Important prerequisites for this are a high level of labor productivity, not only in the refining phases, but in all phases of production, from raw product to the end product, of the economy, and an effective cooperation between all members of the total process of the intensively expanded economic capital replacement.

7994
CSO: 2300/79

SULFUR DIOXIDE, NITROGEN OXIDE EMISSIONS STUDIED IN DETAIL

Limited Emissions Control

Frankfurt/Main FRANKFURTER ALLGEMEINE ZEITUNG in German 5 Sep 85 p 2

[Text] Leipzig, 4 September. Environmental protection, at least as necessary in the GDR (if not even more so) as in the FRG, manifests itself differently "over there" from "over here." There are no demonstrations, no public debates, no panicmongering. The East Berlin government has promised to protect the environment better--period! But belief in environmental protection and accomplishment of it are two different things. Environmental protection--at least for now--has only one goal: reduction of sulfur dioxide emissions.

The nitrogen oxides caused principally by motor vehicles are, on the contrary, not a government topic. Perhaps it is because the concentration of vehicles is still far from reaching the scale it has in the FRG or other Western countries in spite of all the progress; perhaps it is because, with the planned replacement of the GDR two-cycle "Wartburg" by the four-cycle engine of the Wolfsburg "Golf," East Berlin views the concern as at least partially alleviated. Also the problem of maintaining clean water or, more appropriately stated, of improving water quality has not yet been tackled, as far as one can determine from GDR publications.

So, the FRG government is once again hopeful that an agreement will finally be concluded on the nagging topic of keeping the international Werra River clean, under negotiation for years. Proposals for a technical solution are before the GDR. Even the financing, to which the FRG government must certainly contribute its not too stingy mite, seems to be no insurmountable obstacle. But the mills of the GDR grind slowly.

Things are proceeding in much the same way with the bids for reduction of sulfur dioxide emissions. Virtually all relevant companies from the FRG have submitted their documents with no order for sulfur scrubbing of smoke yet forthcoming. In Leipzig, the word was that at least two systems are under consideration. The bids from the FRG are competing with those from other countries, such as, for example, Japan or the United States. But, to date inquiries have been met with the comment that they are concerned about choosing the best and also the most cost effective technical solution. That does not seem to be a mere excuse since there is a basic difference in sulfur scrubbing of smoke in the GDR from that in the FRG where power plants burn hard coal. The GDR energy supply, in contrast, is based on brown coal, the sulfur scrubbing of which possibly presents different requirements. The issue of the usability of the residue will also play a role in the decision of the GDR. Rumor had it that there was a desire to obtain sulfuric acid through the sulfur scrubbing, while a Krupp subsidiary offered a system by which fertilizer could be obtained through addition of ammonia.

The high costs of environmental protection are a further obstacle to a swift implementation of the goals on paper. The word from the builders of plants for the chemical industry is that new plants, which however will not be considered for some time, will all be equipped with the latest state of the art environmental protection systems. The same strict DIN standards would be applied there as in the FRG. Yet nothing is heard about any retrofitting of older plants--they make up the greater part of the GDR chemical industry. Thus, it will still be a good while before environmental protection in the GDR has reached at least the level currently criticized as being insufficient in the FRG.

Responsible Sectors Identified

West Berlin DIW WOCHENBERICHT in German Vol 52, No 30, 25 Jul 85 pp 337-46

[Text] In July 1985 in Helsinki, the International Environmental Protection Conference of the UN Economic Commission for Europe (ECE) added a protocol to the "Convention on International Air Pollution" concluded in 1979. According to it, by 1993 overall sulfur dioxide emissions are to be reduced to at least 30 percent below the 1980 amounts. Annual reports are to be made about progress and methods of measurement. The document was signed by 21 of the 34 ECE countries, including the GDR. The GDR Minister for Environmental Protection and Water Management characterized the task associated with the conference's commitment as very demanding.

In fact, sulfur dioxide emission in the GDR is currently exceptionally high. The DIW [German Institute for Economic Research] made a study of pollutant emissions and their regional distribution in the GDR[1], the overall conclusions of which are presented here. In 1982, in an area less than half as large, in the GDR almost 5 million tons of SO_2 were emitted, in the FRG 3 million tons. In contrast, the situation with nitrogen oxide emissions is better (GDR: 0.4 million tons, FRG: 3.1 million tons). But, the methods mentioned by the GDR for the reduction of SO_2 emissions make a comprehensive reduction of the emission of these pollutants appear rather doubtful. The use of brown coal--especially high in sulfur compared to other energy sources--still predominates in GDR energy policy.

On the Determination of Pollutant Emissions in the GDR

For assessment and calculations concerning the emissions of SO_2 and NO_x during combustion and manufacturing processes, in principle, two facts must be ascertained:

--the specific emissions factors related to the individual energy sources and processes as well as

--the respective consumption of energy sources or the level of production.

The specific parameters of the energy sources, the specific emissions and the processes causing them are in the GDR--as in other countries--frequently the object of studies. Individual data required for calculations are presented in monographs and specialized periodicals[2]. There are also reports on the level of production. However, it was frequently necessary to make estimates. It must also be noted that unambiguous data on emission factors frequently does not exist. For example, the sulfur content of brown coal from the same deposits, sometimes even from the same vein, varies greatly. The rate of fusion of the sulfur in the ash also varies. Thus, for the emission of SO_2, there is a broad range of specific emissions. The differences in the data concerning NO_x emissions are even greater; furthermore, significant deviations can even occur between calculated and measured amounts with this pollutant. In the interpretation of the conclusions, the area of uncertainty still surrounding these determinations should be taken into account.

Fuel Use

In 1982, the level and mix of primary energy consumption showed the following characteristics[3]:

--Primary energy consumption was 130 million tons hard coal equivalence (SKE). At 7.8 million tons SKE per inhabitant, consumption is relatively high (FRG: 5.9 tons SKE).

--Brown coal is far and away the most significant energy source; 276 million tons were mined and made up 63 percent of primary energy consumption. Since 1981, brown coal mining has increased, primarily to reduce dependency on oil and coal imports. In 1985, brown coal production will probably exceed 300 million tons.

--All other energy sources are of less significance: petroleum 19 percent, natural gas 10 percent, hard coal 4 percent, nuclear power 3 percent.

SO_2 emission depends on the combustion processes for the fuels used, the overall sulfur content and the proportion of sulfur bound in the ash.

On the other hand, for determination of NO_x emissions, nitrogen content of the fuel has less influence. This emission increases with the combustion temperature.

The various brown coal deposits in the GDR differ from one another geologically in their basic parameters. The coal west of the Elbe is very old; compared to the younger coal of the region east of the Elbe, its caloric value, ash and sulfur content are very high, but its water content is lower[4]. But, even within a region or a vein, there are considerable differences[5]. So, for the strip mines of Espenhain and Zwenkau west of the Elbe, the sulfur content of the coals from a single vein were found to be 2.1 and 4.5 percent[6]. The variations are also considerable in the second Niederlausitz coal-bearing horizon; sulfur contents between 0.3 percent and 1.4 percent are cited[7]. In emission calculation, these variations are taken into account as much as possible.

There are only general indications about the fusion rate of sulfur in the ash[8]. In this study, 30 percent was assumed for Lausitz brown coal and 40 percent for Leipzig brown coal; this corresponds to a respective combustion share of 70 or 60 percent.

Power Plant and Heating Plant Emissions

According to DIW calculation, in 1982, the power and heating plants in the GDR (including industrial power plants) emitted 2.91 million tons SO_2 and 0.18 million tons NO_x (as NO_2). With a 61 percent share for SO_2 and 41 percent for NO_x, this area is the largest source of emissions in the GDR. The relatively high SO_2 emissions are attributable to the intensive use of domestic brown coal for electric and heat generation. Nearly 60 percent of the brown coal production of the GDR is converted into electricity and heat in power plants, an additional 10 percent used in heating plants. In 1982, brown coal power plants accounted for over 80 percent of the electricity production in the GDR. Due to the high proportion of brown coal, emission of NO_x is comparatively limited since the combustion temperature of brown coal is relatively low.

For a total of 13 major power plants fired by brown coal, emissions were individually ascertained; for this the scope of production, the age of the installation as well as the caloric value, sulfur content and rate of fusion in the ash of the brown coal used were taken into account.

To avoid high transportation costs, power and heating plants are built in the vicinity of the brown coal deposits. The result is a heavy emission concentration in the regions around Cottbus, Halle and Leipzig. Lausitz has the highest pollutant emission rate. About 50 percent of the SO_2 and 40 percent of the NO_x emissions from power and heating plants are concentrated here. It is true that the sulfur content of the brown coal used is lower than that in the Halle/Leipzig area. But that is also why most of the major power plants are located in this region.

The largest single emitter is the Boxberg major power plant located in the southeast. It has a total capacity of 3,520 MW, produces nearly 20 percent of the total electricity generated in the GDR and consumes approximately 30 million tons of raw brown coal annually. The calculated emission totals for this power plant alone are 0.46 million tons SO_2 and 21,000 tons NO_x.

Overall emissions of about 0.30 million tons SO_2 and 45,000 tons NO_x were calculated for thermal power stations. It should be noted that in 1982 almost one third of the natural gas production of the GDR was used in this area. Hardly any SO_2 emission results from the use of natural gas.

In 1982, before the substitution of brown coal for heating oil was complete, the clean heating plants emitted 0.34 million tons SO_2 and 34,000 tons NO_x. SO_2 emission must certainly be higher now. Calculations from the GDR come to the conclusion that, "with complete abandonment of heating oil and use of solid fuels from domestic deposits, sulfur dioxide emissions caused by small steam generators will rise by 22 percent"[9].

In spite of the high SO_2 emissions, industrial use of sulfur scrubbers has not yet begun. In the Vockerode power plant alone, a pilot system is in operation using the the limestone additive process, in which a higher sulfur fusion rate results from the addition of limestone to the brown coal fuel[10]. This process is to be adopted in the future in thermal power plants in the Leipzig and Karl Marx Stadt regions[11].

Since 1982, emissions from power plants has increased further. According to calculation, the Jaenschwalde power plant went into service with a capacity of only 500 MW; its total capacity is to be increased to 3,000 MW (1984: 1,500 MW). The result is additional emissions of 280,000 tons SO_2 and 14,000 tons NO_x compared to 1982. Jaenschwalde is supposed to be the last major brown coal fired power plant built in the GDR. For the most part, nuclear power plants are to supply the increased future demand. The degree to which emissions from power plants can be reduced overall depends thus primarily on investments for sulfur scrubbing.

Industrial Emissions

Data about the production and the respective specific emissions of the industrial sector (excluding industrial power plants) had to be studied extensively for coal refining, basic chemical, petroleum, construction materials, glass and ceramics industries and for a few other sectors. Concentrating on the areas causing the most significant emissions and their major production lines obviously means that the investigation cannot be complete. Presumably, approximately four fifths of industrial pollutant emissions are included. An exact assessment is however not possible due to the information sources.

The causes for the relatively high SO_2 emissions in the industrial areas chosen are, on the one hand, the greater proximity of GDR industry to its basic materials, on the other hand, the fact that brown coal comparatively high in sulfur is used as a raw material and as an energy source. In addition, the plants are often old, their technology obsolete and the condition of the equipment is not the best. In all the areas studied, many of the plants are older than 15 years. Old age and poor levels of efficiency are found especially in brown coal carbonization plants, the Winkler generators at Leuna, carbide production at Buna and Piesteritz, sulfuric acid factories, metallurgy, potash and paper pulp plants. In all these plants, pollutants come from diffuse emission sources; they are, therefore, hardly calculable, much less measurable.

For 1982, calculations showed the following amounts of industrial emissions:

Source	SO_2	NO_x
	[in thousands of tons]	
Chemical Industry	508	35
Metallurgy	299	44
Construction materials, glass and ceramics	48	45
Total	855	123
Reported: Industrial power plants	700	29

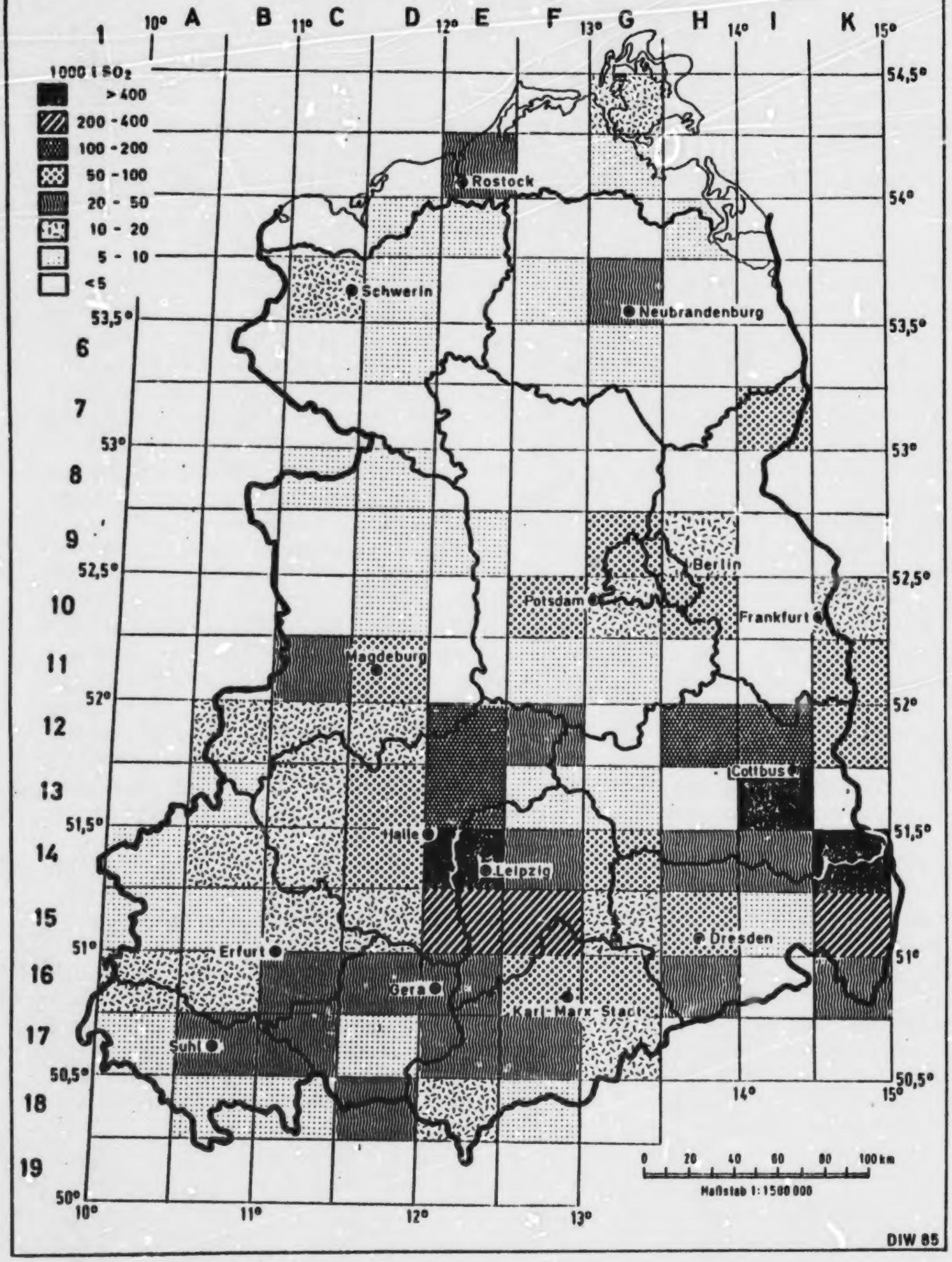
According to these figures, the chemical industry is the largest industrial emitter of SO_2. For production of substances and energy, the chemical industry uses 60 million tons raw brown coal equivalence, including half of the domestic natural gas. In 1982, 30 percent of all organic chemical products were manufactured based on brown coal. For that, 30 million tons of brown coal were necessary[12]. All coal refining plants are characterized by high contamination of the environment; this is true for sulfur dioxide emissions--to date, only a few plants use sulfur scrubbers for purifying waste gases--and especially for contamination of the nearby area through noise, dust, odors and polluted water.

The major coal chemical industries are carbonization, coking and pressurized gasification. The end products of carbonization are tar and low temperature brown coal coke (BTT coke). The tar bearing soft coal from the region south of Leipzig is used for this. Production was already to have been discontinued at the Espenhain, Boehlen and Deuben locations, but, as a result of the altered supply of raw materials, they were forced back into production beginning at the end of the seventies. In 1982, about 145,000 tons SO_2 were given off at the carbonization location. Further emissions result from the processing of BTT coke in the old Winkler gas synthesis plant in Leuna and from tar processing in Rositz and Zeitz[13].

The end products of coking (Schwarze Pumpe Gas Company) are town gas and high temperature brown coal coke (BHT coke); very low sulfur coal is necessary for this. SO_2 emission is correspondingly low. Gasification--town gas is the end product--is increasing in significance. Gas can be utilized in almost all sectors of the national economy with relatively little harm to the environment and with good energy efficiency levels. With gasification, sulfur is economically recovered in large amounts; environmental pollution at the Schwarze Pumpe sites (Lauchhammer and Hoyerswerda) is nevertheless severe.

SO_2-Emissionskataster für die DDR 1982

Table of SO_2Emissions for the GDR--1982


1000 t SO2
> 400
200 - 400
100 - 200
50 - 100
20 - 50
10 - 20
5 - 10
< 5
A
B
C
D
E
F
G
H
I
K
1
6
7
8
9
10
11
12
13
14
15
16
17
18
19
10°
11°
12°
13°
14°
15°
50°
50,5°
51°
51,5°
52°
52,5°
53°
53,5°
54°
54,5°
Rostock
Schwerin
Neubrandenburg
Berlin
Potsdam
Frankfurt
Magdeburg
Cottbus
Halle
Leipzig
Dresden
Erfurt
Gera
Karl-Marx-Stadt
Suhl
0
20
40
60
80
100 km
Maßstab 1:1500000
DIW 85

Almost all of the basic chemical industry of the GDR is located within 50 kilometers of Halle. The largest chemical companies of the GDR, Leuna (large-scale synthesis), Buna (carbide chemicals) and Bitterfeld (electrolysis) operate here. While environmental pollution in the Halle region had clearly fallen off at the beginning of the seventies with substitution of heating oil and natural gas for brown coal, this trend was reversed at the beginning of the eighties[14].

There are also high emissions in the manufacture of sulfuric acid, potash and paper pulp. Sulfuric acid production has predominantly obsolete plants; the potash industry uses large amounts of brown coal for drying processes, and in the paper pulp industry, additional SO_2 emissions result from the combustion of waste liquors. In contrast, petroleum industry plants are comparatively modern.

The metallurgical industry, especially "black" metallurgy, is the source of high pollutant emissions due to its obsolete production technology. In the production of crude iron and steel, the Siemens-Martin processes, particularly troublesome from an environmental standpoint, predominate. Through them alone, 170,000 tons SO_2 and 20,000 tons NO_x are emitted. It is true that the new converter steel mill in Eisenhuettenstadt will replace a part of the Siemens-Martin production in the mid-eighties. But the GDR appears still to depend on the Siemens-Martin furnaces in Brandenburg and Hennigsdorf.

Production statistics for nonferrous metals are unknown. It is therefore difficult to assess emissions in the centers of this industry in the Mansfeld area (copper) and near Freiberg (tin and lead). Smelting plants also release emissions multiple locations. In 1982, there were SO_2 emissions of more than 50,000 tons. An absolute decline is to be assumed for both locations during the course of the eighties. Mandatory sulfur scrubbing will contribute to that[15].

Emissions in the construction materials, glass and ceramics sectors are characterized by the fact that almost without exception their processes take place at temperatures above 1000°C. Furthermore, in the glass and ceramics industries, high quality energy sources (natural gas, town gas, light heating oil) are used. Therefore, the NO_x emissions are barely lower than the SO_2 emissions.

Well over half of the industrial SO_2 emissions occur in the Halle/Leipzig region, that is, in the locations where high sulfur brown coal is the traditional basis of industry. NO_x emissions are, of course, also high in this region, but there are likewise considerable emissions problems with this pollutant at metallurgy, construction materials industry and glass and ceramics industry sites.

In general, there will be declining specific pollutant emissions during the eighties in GDR industry on the whole. However, with production increasing further, an absolute reduction is unlikely.

Household Fuel and Small Users

In this group are included many, mostly relatively small furnaces with chimneys less than 20 meters tall. In households, they are used for heating and for hot water as well as for cooking. The term "small users" includes a broad range of varied groups of consumers: workshops, restaurants, hotels as well as public services (e.g., schools, hospitals, libraries, administration). Total emissions for this sector were calculated in the amount of 950,000 tons SO_2 and 38,000 tons NO_x.

To ascertain the emissions due to household fuel use--overall as well as regional--the breakdown of the housing supply according to form of heating at the end of 1982 was used as a basis. Of the entire supply (6.9 million), 4.8 million homes (69.3 percent) still used stoves for heat; 2.1 million were equipped with central heating. Of these, 1.2 million homes (17.4 percent of the supply) were heated by regional heating; in this case, the emissions do not occur at the location of the home, but rather at the heating or industrial power plants.

In 1982, brown coal briquettes (15.7 million tons), brown coal coke (1.2 million tons) and raw brown coal (0.2 million tons) were delivered to private households[16]. It was assumed that one fourth of the briquettes came from the Senftenberg area (Lausitz) and three fourths came from the Bitterfeld area (Halle/Leipzig).

An additional source of energy for heating is gas. To be sure, gas plays a very limited role in heating. For heating water, more than a seventh of the required heat is generated using environmentally harmless gas. In 1982, it is estimated that there were 4.5 million gas ranges or stoves. Newly built homes are predominantly equipped with electric ranges.

Based on optimal transportation, concentration of the consumption of Lausitz coal was assumed for the regions of Cottbus, Dresden, Frankfurt (Oder) as well as (East) Berlin; the use of Halle/Leipzig coal was assumed for the remaining regions. On the basis of special emission factors[17], an annual total SO_2 emission of 600,000 tons was arrived at for households (heating, hot water, cooking). The NO_x emission was estimated at 24,000 tons annually.

In 1982, brown coal briquettes (6.9 million tons) and raw brown coal (3.7 million tons) predominated, and limited amounts of brown coal coke (0.2 million tons), but also town gas (approx. 1 billion cubic meters) and natural gas (170 million cubic meters) were used.

A projection based on the various emission factors resulted in--with a separation of the brown coal component into Lausitz and Halle/Leipzig coal--an overall emission of about 343,000 tons SO_2 and 13,200 tons NO_x. Of that, 99 percent of the SO_2 and 89 percent of the NO_x came from solid fuels.

Future development in the area of household use and small user consumption will be characterized especially by the increase in regional heating with a simultaneous decline in heating by stoves (modernization of the housing supply). For emissions, that means a transfer from sources based on broad areas to sources concentrated in points. However, there will not be much likelihood of any real change in fuel use in the direction of fuels with more favorable emission qualities; on the contrary, coke processing will probably fall off and the use of raw brown coal increase, especially with small users. Therefore, on the whole, only a very slight decline in emissions from households and small users can be expected by 1990.

Emissions From the Transportation Sector

Due to the special conditions and their significance in the transportation sector, emissions of carbon monoxide (CO) and hydrocarbons (CH) were also studied here.

The steady increase in transportation capacity for people and freight as well as the continual growth in the number of vehicles has developed the transportation sector into a pollution emitter, which deserves attention as in Western countries. According to the assessment of GDR scientists at the end of the seventies, transportation's contribution to overall air pollution in the GDR was approximately one fourth[18].

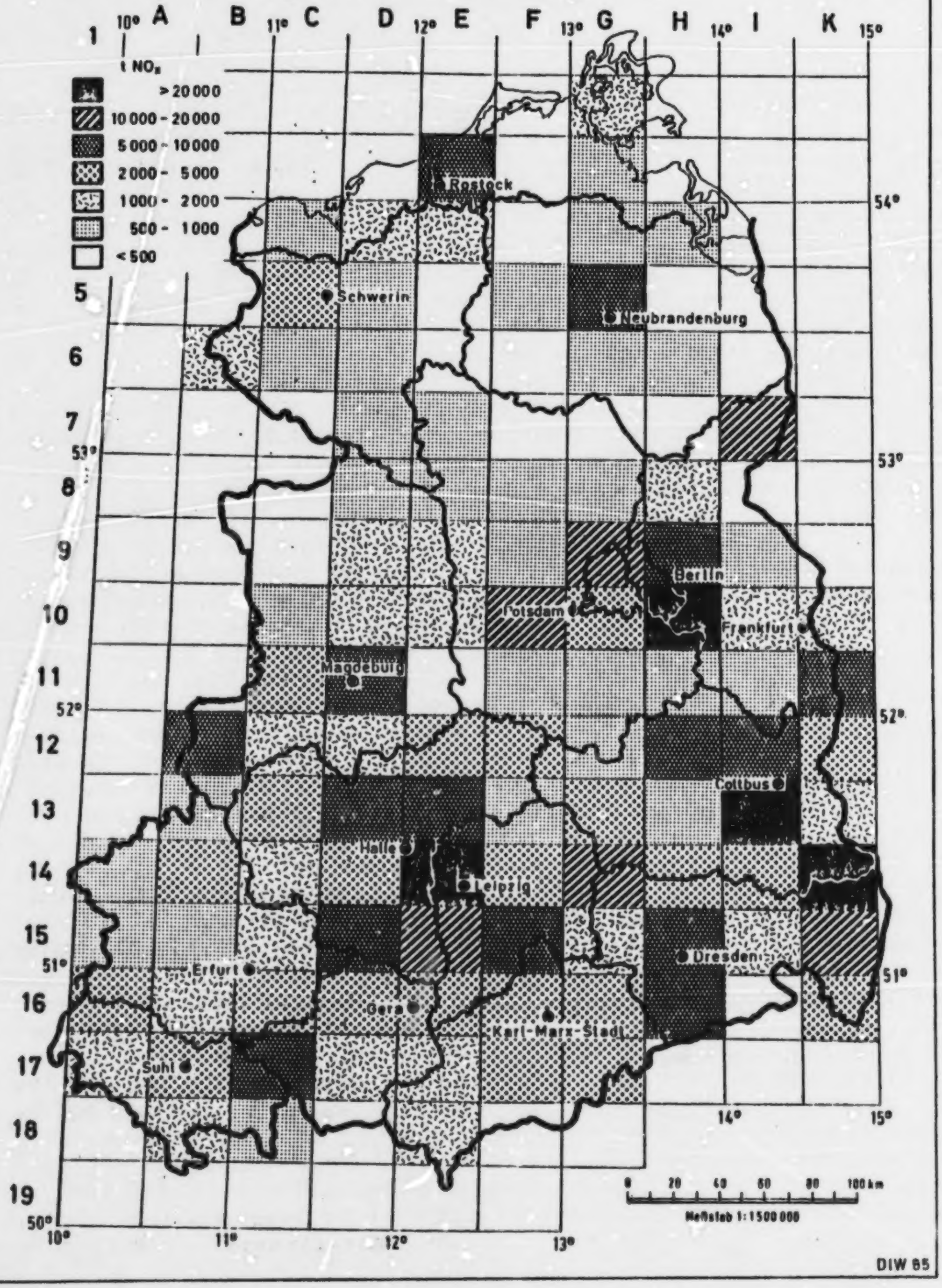
The major emitter in the GDR also is road traffic, already responsible in the seventies for up to four fifths of the total air pollution in the population centers of industrialized countries. At that time the GDR was not yet a highly motorized country. Nevertheless, according to the unanimous opinion of GDR authors, based on actual measurements, the population in high traffic cities was then already considerably threatened by pollutants from engine emissions in the GDR as well[19]. Studies at the end of the seventies showed that air pollution in urban population centers was up to 50 percent attributable to road traffic[20], and, within that, predominantly to private passenger vehicle traffic[21].

Characteristic of the mix of vehicles in private transportation in the GDR is the relatively high proportion of two-cycle engines (two thirds of all private vehicles). In contrast to four-cycle engines, these have a completely different combustion process, and, therefore, different emission behavior. Compared to a four-cycle Otto combustion engine, with the same drive capacity, two-cycle engines emit only about one tenth the nitrogen oxide, but about five to ten times as much hydrocarbon. In the GDR, CH emissions, consisting essentially of unburned fuel and representing a special danger for people, have reached with 0.5 million tons--in spite of considerably less drive capacity--almost the same amount as that emitted in the FRG by the entire transportation sector (1982: 0.6 million tons), while the NO_x emissions are with 0.1 million tons considerably lower (1.7 million tons).

In spite of the higher sulfur content of GDR diesel fuel--approximately one fifth to one sixth of the corresponding amount for the FRG--, the comparatively low SO_2 emissions (18,000 tons), are essentially attributable, on the one hand, to the fact that there are virtually no diesel private cars in the GDR, and, on the other hand, that highway freight transportation plays only a secondary role in the domestic freight transportation system because of many legal and administrative measures--favoring the railroad[22].

NO_x-Emissionskataster für die DDR 1982

Table of NO_x Emissions for the GDR--1982


10° A B 11° C D 12° E F 13° G H 14° I K 15°
1
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
53°
52°
51°
50°
54°
t NOx
> 20 000
10 000 - 20 000
5 000 - 10 000
2 000 - 5 000
1 000 - 2 000
500 - 1 000
< 500
Rostock
Schwerin
Neubrandenburg
Berlin
Potsdam
Frankfurt
Magdeburg
Cottbus
Halle
Leipzig
Dresden
Erfurt
Gera
Karl-Marx-Stadt
Suhl
10° 11° 12° 13° 14° 15°
0 20 40 60 80 100 km
Maßstab 1:1500 000
DIW 85

Emissions of carbon monoxide (GDR: about 0.8 million tons; FRG: about 5.3 million tons), the most significant pollutant based on amount in both German countries, relate more or less proportionally to the respective amount of drive capacity produced.

Emissions in the Transportation Sector* (in thousands of tons)

Source	SO_2	NO_x	CO	CH
Road traffic				
Private cars	-	33.0	780.0	460.0
Bus traffic	2.2	6.5	4.4	3.3
Over-the-road freight	6.7	23.0	13.2	10.1
Rail traffic	7.1	31.7	-	-
Inland water traffic	0.3	1.2	-	-
Ocean/harbor traffic	1.5	0.6	-	-
Air traffic	0.1	1.1	1.7	1.0

*Including traffic to and from (West) Berlin.

Examining the types of transportation according to their contribution of pollutants, road traffic clearly dominates for NO_x, CO and CH. For SO_2, the rail traffic of the German Railroad (DR)--freight and passenger traffic--has, by itself, a total comparable (7,000 tons) to that of all road traffic. This is caused essentially by the fact that the railroad in the GDR, compared to the FRG, is considerably more involved in the inland transportation picture--a trend which is still increasing--, and is furthermore about seven tenths--based on gross tons per kilometer--powered by diesel with its (here) relevant emissions. The remaining pollutant emitters--inland water traffic, ocean/harbor traffic, air traffic--are relatively insignificant in this overall view.

Private motorization, which will certainly continue to increase, will inevitably bring an increase in pollution. Even if the attempt succeeds to reduce consumption of combustion fuels by the "Wartburgs" and the "Trabants" characteristic of the highway scene in the GDR and to achieve further improvements related to the specific emissions of pollutants, the increase will probably still be considerable. The long term outlook would be somewhat different if--as is being discussed frequently nowadays--the two-cycle engines were replaced by four-cycle engines. A comprehensive structural change in the cars on the road is, based on current information, not to be expected before the mid-/late nineties.

Over-the-road freight traffic is also not likely to become a significant polluter in the foreseeable future. As for the railroads, it should be taken into account that the diesel locomotives which still dominate today (70 percent) will be replaced in the next few years as a result of the electrification of the rail grid of the DR to a large extent by electrical drive systems with the correspondingly lessened emission of pollutants in the transportation sector.

Summary and Outlook

As conclusions of the study, the emissions of SO_2 and NO_x in the GDR according to the individual emitter groups for 1982 are presented as follows:

Source	SO_2	NO_x
	(Millions of tons)	
Total	4.73	0.43
Power plants, heating plants*	2.91	0.18
Industry	0.86	0.12
Households, small users	0.95	0.04
Transportation	0.02	0.10

*Including industrial power plants

Amount and structure of emissions are different, for example, from those in the FRG:

Source	SO_2		NO_x	
	GDR	FRG	GDR	FRG
Total (in millions of tons)	4.7	3.0	0.4	3.1
Share (in percentage)				
Power plants, heating plants	61.5	62.1	40.7	27.7
Industry	18.1	25.2	28.7	14.0
Households, small users	20.1	9.3	8.6	3.7
Transportation	0.4	3.4	22.0	54.6

In an area less than half the size (GDR: 108,000 square kilometers, FRG: 249,000 square kilometers), in the GDR, about 60 percent more SO_2 and about 90 percent less NO_x are emitted. For purposes of comparison, it should be noted that the population ratio is 1 : 3.7 (GDR: 16.7 million persons, FRG: 61.7 million persons) and the ratio of economic production--based on the GNP--is 1 : 5. Under otherwise equal conditions, an environmental pollution ratio between 1 : 4 and 1 : 5 ought to develop. In fact, it is however 1 : 0.6 for SO_2 and 1 : 7.7 for NO_x. As the presentation of causes of emissions has shown, this can be attributed to special structural characteristics in the GDR (brown coal, industrial and transportational structure).

If simplified, completely identical structural characteristics were assumed, the evolution of SO_2 emissions would be roughly connected to the consumption of brown coal. However, in 1980, there was a total SO_2 emission of about 3 million tons; in 1985, about 5 million tons.

The Helsinki agreement to reduce emissions by 1993 to 70 percent of the 1980 level, means an SO_2 emission of about 3 million tons for 1993; that is approximately 2 million tons or 40 percent less than the projection for 1985.

For the reduction of SO_2 emissions, the GDR intends to implement, according to its statement in Helsinki, "a whole package of measures"[23]:

--reduction of energy consumption and preventable loss,

--increased use of secondary energy,

--heat and power linkage,

--further implementation of nuclear energy,

--supplying of regional heat,

--increased use of brown coal with greater removal of sulfur during refinement,

--use of fluidized-bed firing,

--sulfur scrubbing of smoke from large power plants, heating plants and thermal power plants.

The establishment of a national environmental inspection also certainly belongs on this list. Among other things, it should monitor air pollution, set limits and check compliance with them[24].

The first five measures from the Helsinki list are aimed especially at reduction of energy consumption of fossil fuels, the last three at removal of sulfur from the brown coal used. The GDR has had great success in conservation of primary energy since the beginning of the eighties. Specific energy consumption was reduced, overall primary energy consumption only slightly--with considerable economic growth. The greatest conservation success was with petroleum; the use of brown coal has, however, absolutely increased. Per capita energy consumption, still very high, will make further reduction of specific consumption possible. Use of secondary energy, linkage of heat and power and regional heating could reinforce this process. Since the GDR is presumably striving for economic growth of 4 percent for the intermediate term, an absolute decrease in energy consumption is rather unlikely. The GDR intends to increase use of brown coal through 1990--although not to the same extent as through 1985[25]. An absolute reduction in SO_2 emissions is thus not to be expected from this part of the measures.
The planned increased use of brown coal should probably be based on the introduction of modern gasification processes. With these processes, an economic removal of sulfur (Claus system) is possible. The use of (Salzkohle) is already being tested in a pilot system. Expansion of brown coal gasification in a big way certainly requires considerable investment.

Sulfur scrubbing measures are still hardly used in the GDR. According to official announcements, the intent in the GDR is to concentrate on processes which are efficient and economical. This is hardly a realistic starting point. The use of all the considerable investments required here does not lie in the recovery of raw materials, but rather in the prevention of economically unjustifiable harm to the environment. An "economy" in the sense of industrial cost calculations, as the GDR seems to be striving for, is illusory in this connection.

Thus the obligation to reduce SO_2 emissions to 2 million tons below the current level is certainly a technically feasible, albeit a financially difficult task for the GDR to deal with.

FOOTNOTES

1. DIW Research Report, "Emissions Cadastre for SO_2 and NO_x for 1982 in the GDR. Being prepared for publication.

2. For example, Herbert Mohry and Hans-Guenter Riedel, eds., "Reinhaltung der Luft" [Maintenance of Clean Air], Leipzig, 1981. Commission for Environmental Protection of the Presidium of the Chamber of Technology, ed., "Technik und Umweltschutz, Luft-Wasser-Boden-Laerm" [Technology and Environmental Protection, Air-Water-Soil-Noise], Vols. 1-29.

3. Only since 1982 have data on consumption of primary energy, solid fuels and brown coal been published by the GDR and even then only for past years. Up to 1978, these data closely agree with estimates determined from production and foreign trade data in the CEMA-energy database of the DIW. For the years 1979 and 1980, however, the GDR data indicates more limited growth of primary energy consumption. The differences must primarily involve petroleum consumption. The estimates used here run about 9 percent higher than reported by the GDR. Consumption of brown coal is however not included in that. Of course, the share of the individual energy sources in overall consumption is different. For brown coal, the supply share is 70 percent according to the GDR data. "Statistisches Jahrbuch der DDR 1984" [1984 GDR Statistical Yearbook], p. 151.

4. Herbert Krug and Wolfgang Naundorf, eds., "Braunkohlbrikettiering" [Brown Coal Briquette Manufacture], Vol. 1, Leipzig, 1985, p. 30 ff.

5. For example, in this regard, it has been pointed out by GDR authors "that the sulfur content of the 2nd Lausitz vein should absolutely not be considered as a parameter for the deposit." Approximately 50 percent of GDR raw brown coal is mined from this vein. Rainer Vulpius and Karl Heinz Neubert, "On the Distribution and Origin of the Sulfur in the Brown Coal of the 2nd Lausitz Vein," NEUE BERGBAUTECHNIK, Vol. 11, 1982, p. 656.

6. Dieter Bartnik, "Raw Material Properties and Quality Survey of the Brown Coals in the Northern Section of the Leipzig Bight," FREIBERGER FORSCHUNGSHEFTE, Leipzig, 1977, p. 81.

7. M. Suess, "Raw Material Basis for High Temperature Coking of Soft Brown Coal," ZEITSCHRIFT FUER ANGEWANDTE GEOLOGIE, Vol. 2, 1980, p. 75. The data for the "waterfree" analysis state were recalculated in the "raw" state assuming a water content of 58 percent.

8. For West Elbe coal, values from 40 to 37 percent were cited; for Lausitz coal, the data varied between 10 and 50 percent. Bartnik, op. cit., p. 51. Mohry and Riedel, op. cit., p. 76. Wolfgang Kluge, "IFE [Institute for Technical Research and Development, Austria] Processes for Sulfur Scrubbing From Smoke During Combustion of GDR Raw Brown Coal," ENERGIETECHNIK, Vol. 7, 1981, p. 276.

9. Wolfgang Schuster and Berthold Gartner, "Problems in Environmental Protection With the Conversion of Heating Oil Fired Steam Generators to Solid Fuels," Commission for Environmental Protection of the Presidium of the Chamber of Technology, ed., "Umweltschutz durch rationelle Energieanwendung" [Environmental Protection Through Rational Use of Energy], Vol. 27, Leipzig, 1984, p. 43.

10. On limestone additive processes, Wolfgang Kluge, "Levels of Sulfur Removal With IFE Processes for Grate Firing," ENERGIETECHNIK, Vol. 8, 1983, p. 318.

11. "Report of the National Central Administration for Statistics on Implementation of the 1985 National Economic Plan in the First Six Months," NEUES DEUTSCHLAND, 13-14 July 1985, p. 3.

12. Horst Weihs, "Chemical Processors Compete for Low Production Consumption," PRESSE-INFORMATIONEN, No. 8, 18 January 1985, p. 2. Eberhard Klose and Horst Brand, "Technical Situation and Developmental Trends in Coal Refinement in the German Democratic Republic," Address to the International Exhibitions Congress On Refinement of Brown Coal, Leipzig, 1985, reproduced on microfilm.

13. Guenter Scholz and Werner Hauptmann, "Coal Gasification of Brown Coal by the Schwarze Pumpe Gas Company: A Productive and Efficient Process for Generation of Town Gas and Synthetic Gas As Well As Liquid Products," Address to the International Exhibits Congress on Brown Coal Refinement, Leipzig, 1985, reproduced on microfilm. Herbert Richter and Dieter Kalkreuth, "Role and Significance of the Raw Material Brown Coal for the Development of the Energy Industry and the Chemical Industry, Experiences and Perspectives in Coal Refinement," CHEMISCHE TECHNIK, Vol. 2, 1980, p. 61 ff.

14. G.F. Mueller, "On Air Pollution From Industrial Sources in the Halle Bezirk," Commission for Environmental Protection of the Presidium of the Chamber of Technology, ed., "Luftreinhaltung in der Industrie" [Maintenance of Clean Air in Industry], Vol. 15, Leipzig, 1977, p. 25 ff.

15. For example, Kurt Altnickel, "Air Related Health Problems and Possibilities for Assessment of Emissions Sources in the Nonferrous Metal Operations of the VEB 'Wilhelm Pieck' Mansfeld Company With Special Emphasis on Raw Smelting Processes," ibid., p. 38 ff.

16. Oil is virtually not delivered anymore for heating purposes in households and communal housing administrations in the GDR. Oil heating systems, never very widespread, have been retrofitted for solid fuels.

17. The emission factors cited in the table are obviously higher than those used for SO_2 emissions for Leipzig brown coal (1368 mg/MJ [megajoule]) or for Senftenberg brown coal (150 mg/MJ) for (West) Berlin. However, it must be taken into account that briquettes delivered to (West) Berlin from the GDR are of exceptionally good quality with clearly low sulfur content (Leipzig: 2.14 percent, Senftenberg: 0.5 percent). They cannot be considered representative for the GDR. See Senator for Urban Development and Environmental Protection, ed., "Emissions Cadastre for Household Fuel Use--Berlin Source Groups for Heating of Buildings," (West) Berlin, 1981, p. 44.

18. See, among others, Mohry and Riedel, op. cit., p. 23.

19. See, among others, Joachim Windolph, "Road Traffic and Environment," DIE STRASSE, ZEITSCHRIFT FUER FORSCHUNG UND PRAXIS DES STRASSENWESENS, Transpress VEB Verlag Fuer Verkehrswesen, Berlin, Vol. 12, 1977, p. 508; Windolph, "Environmental Pollution and Effects of Air Pollution," DIE STRASSE, Vol. 4, 1982, p. 117.

20. Helmut Walter, "Statutory Regulations for Environmental Protection in the GDR With Special Emphasis on Transportation," INTERNATIONALE TRANSPORT-ANNALEN, 1980, VERKEHR UND UMWELTSCHUTZ, Prague, Berlin, Warsaw, 1980, p. 19.

21. Cities and population centers with a high concentration of industry constitute an exception--obviously not from the total amount of pollutants emitted, but of the relative share here.

22. In this regard, also see Rainer Hopf, ed., "GDR: Freight Transportation Back to the Rails," WOCHENBERICHT DES DIW, No. 8, 1981, p. 83 ff.

23. NEUES DEUTSCHLAND, 9 July 1985, p. 2.

24. Compulsory levies could be collected for the implementation of regulations. "Decree on National Environmental Inspection," 12 June 1985, GBL [GESETZBLATT] DER DDR, Part 1, 1985, No. 19.

25. With reference to the 9th Central Committee Plenum of the SED of November 1984, it was announced at an international congress on exploration, recovery and refinement of raw materials and fuels at the 1985 Spring Exhibition in Leipzig that, as of then, a raw coal extraction of 320 to 325 million tons is planned for 1990. M. Mueller and P. Dittmann, "Complex Solution for Development of Deposits for Raw Materials for

Energy and Construction As Well As Processing of Raw Products," Address on 14 March 1985 to the International Exhibition Congress, Leipzig, reproduced on microfilm.

12666
CSO: 2300/531

RESEARCHERS NOTE NEED FOR IMPROVED OUTER WALL CONSTRUCTION

East Berlin BAUZEITUNG in German Vol 39 No 7, Jul 85 pp 295-297

[Article by Prof Dr-Ing Herrmann Ruehle, Dr-Ing Joerg Blobelt, Construction Academy of the GDR, Institute for Home and Business Construction: "Requirement for Building Development With an Eye on Energy and Material Expenditure"]

[Text] This article reviews research findings from this institute (/1/-/7/) already published and explains their effects on the development of buildings, in which case the work proceeded with a further intensive utilization of available funding from the Large Panel Building System with its further development. In this case the building outer shell (outer wall-roof) stands in the foreground. Accordingly, only a few significant appearing relationships and requirements are presented once again below.

Energy--Materials--Environment

The stormy development of the construction system into an industry, which is taking place in a relatively short time, as well as the changes in the needs of the populace have led to often underestimated changes in the rules of construction treasured over generations and at the same time to the necessity of introducing new rules. The complex relationships of energy, materials, environment, architecture, intrinsic value, technology, and economy have grown to be widely ramified. This influences the quality and sets new standards. Problems are open, are recognized, and also lend themselves to scientific investigation. However, only after years of practical experience one frequently comes to the "wisdom of hindsight." It is no wonder that complaints about building defects today interlace the international exchange of information.

The building shell represents an exacting and very comprehensive subject of high economic priority for the building practice and research, on which resolute and coordinated work must be carried out.

Already the intrinsic value being placed at the center of all considerations, as is known, looses a profusion of indeed quite contradictory requirements regarding roof and outer wall, which the user develops from his most different and unfortunately often more subjective than objective attitudes and experience.

Greater objectivity on the intrinsic value provides set rules from experience and science that are applicable and can be followed. It is certain that this complex relationship still needs many considerations and exerts a completely decisive influence on the investment in energy and materials.

Materials and energy, which is a one time and permanent investment, are in direct relationship and measurable. Saving materials remains a significant motive in each technical development, be it in the areas of substance, construction, or technology. Thinking only of minimum constructions, however, in the end need not lead to an economic effect since the total monetary investment and the intrinsic value are not directly related. Dedication to optimum construction is right! Such an action does not exclude light construction, above all when, for example, it succeeds in including more and more energy considerations. With this energy economy and energy gains could be likewise realized. Optimum construction also means for it to be designed for the period in which it will be used whatever happens and is realistic. The whole situation of industrial construction, accordingly not only new building materials and procedures, light construction, large sets, as well as new production organization, but also in this connection quality concepts not yet brought up and mastered and quality regulations influence the negative effects of the environment on the shell often more than its own intensification and amplification.

If we take as an example the corrosion of the reinforcing steel about which there are at certain intervals in time and spread over the whole world suddenly discussions tending toward hysteria. If the subject is thoroughly investigated, then the carelsss or unexpert construction often play more of a role than any so far unknown environmental effect. Analogous determinations can also be applied to cracking and soaking of weather protection layers of outer walls, to paint, joints, rain gutters during rain, snow, and ice, as well as many equally deposited substances. The often changed effects of the environment without a doubt that have become in part more complicated and also more aggressive, may never be considered to be independent. This can lead to serious errors in judgment. It is thus compelling to clarify the causes as objectively as possible and thereby to comprehend more the relationships between the environment and the construction including their details and technology. Precisely in this area research efforts are still urgently needed.

Energy

The judgment concerning the necessary measures for assuring the thermal quality of future construction developments must then be based upon which quantities and types of energy are available during the period of use. As a result of the long period of use, e.g. an apartment building, it is certainly not logical to wish to design the building during its erection for the speculated external conditions in the next 100 years. In order to assure for all types of buildings thermal quality over the whole useful life, the need to classify more strictly under present aspects energy-economical measures is required.

Energy economy is exceptionally complex and regarding apartment and business buildings it extends from town planning to technical building equipment. These relationships must be considered in the case of future developments in the

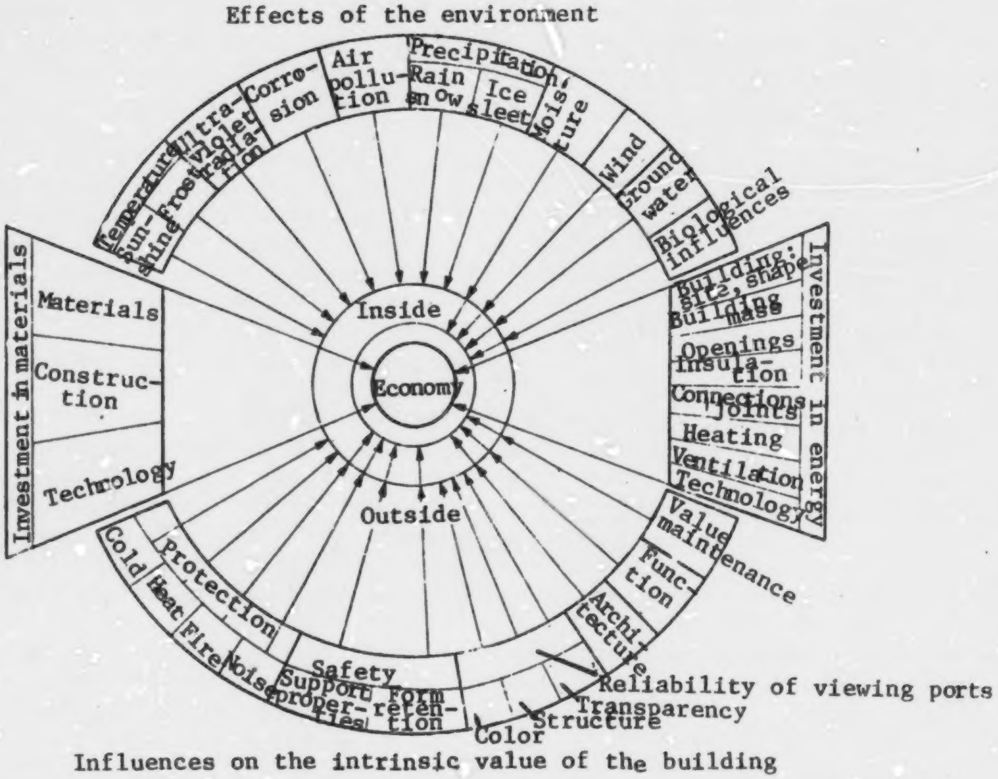

Effects of the environment
Temperature
Sun-shine
Frost
Ultra-violet radiation
Corrosion
Air pollution
Precipitation
Rain snow
Ice sleet
Moisture
Wind
Ground water
Biological influences
Inside
Economy
Outside
Investment in materials
Materials
Construction
Technology
Investment in energy
Building: size, shape
Building mass
Openings
Insulation
Connections Joints
Heating
Ventilation
Technology
Value maintenance
Function
Architecture
Reliability of viewing ports
Transparency
Structure
Color
Safety
Support properties
Form retention
Protection
Cold
Heat
Fire
Noise
Influences on the intrinsic value of the building

Figure 1. Relationship of Materials-Energy-Environment-Quality

building shell with greater responsibility. Such a dedicated timely economic classification of complex energy-economic measures permits the guaranteeing of the requirements for the assurance of the thermal quality, e.g., of newly constructed apartments under all circumstances over the whole period of use with a minimum investment for the time being. In this case the following should be discussed:

—Energy-economy factors of living area and building that are no longer technically and economically variable after the erection of the building, e.g.:

- --building site
- --number of floors
- --building compactness (surface-volume ratio).

With the goal of reducing energy consumption in the case of new apartment construction these measures must be in effect. If this is not carried out, the possible effects in this case are lost forever. The consideration of energy in the factors cited requires in general no increased one-time investments; many times even the one-time investment in this case drops parallel to the city planning-architectural advantages.

--Energy-economy factors of living area and building that are still variable after the erection of the building but require relatively high investments, e.g.:

--the later shutting of construction gaps or open gable ends, respectively, to closed corners
--the later improvement of the insulation at the building surfaces (darkfield)
--the later fundamental change in the heating system, e.g., from individual heating units to central heating.

Energy-economy measures of this type should be resolved during the new apartment construction right from the start as much as possible so that later alterations are not necessary.

--Energy-economy factors of living area and building that are variable also after the erection of the building with economically acceptable investment, in particular then when the alterations coincide with the time for the replacement of building parts and equipment. Among these would be the following, for example:

--later installation of windows with further improved insulating quality at the time for replacement of the old window frames
--later installation of improved technical building equipment, especially at the time for replacement
--later equipping of the apartment house with a system for the utilization of waste heat and environmental heat, which at present are not yet viewed as economical and for which at this time also no suitable production line exists. In this case too consideration of the times for replacement or repairs, respectively, e.g. of the roofing, of the front wall surface, or the ventilating system, has a reducing effect on the heating costs.

Energy-economy measures of this type must not be provided during new apartment construction as long as the required thermal quality can be assured for a foreseeable portion of the total lifetime of the building by other solutions with a lower investment. Of course, the thought of the later technical building equipping should receive consideration right from the beginning so that certain prior conditions for it are not "excluded through construction." A general priority and sequence of energy-economy measures in apartment construction could thus be expressed in the following manner:

1. Reducing the heat demand of a dwelling by limiting heat loss through transmission and convection. Considered complex, the reduction of the building surface generally also belongs to the development of the outer wall including windows and ventilation which indeed is fixed above all by the architectural design.

2. Reduction of the amount of heat introduced into a dwelling to the necessary level (also measured as the primary energy demand) through new solutions of the TGA [Technical Building Equipment]. In contrast to the insulation, significantly higher investments in energy savings are necessary here.

3. Where possible, reduction of the amount of heat fed into a dwelling from the public energy network through installations for the use of alternative energy sources (waste and environmental heat) in the apartment building itself or in an apartment complex. Here the greatest investments are required. At present it still be said that measures of this type, including, for example, solar collectors, heat pumps, and energy recovery equipment, cannot be installed everywhere at this time in the mass apartment construction in the GDR. Nevertheless, research and experiments should also be carried out in this direction. Logically such points of view also apply to other categories of buildings.

Materials

Material investment is becoming everywhere a key problem qualitatively and quantitatively for the construction industry as one of the mass consumers. A significant role is played by the investment in steel in this connection, first of all in the countries that have steel at their disposal temporarily or longer but only to a limited extent. The level of steel consumption is influenced decisively by the objectives of the building politics of a country, derived from economic and social data, e.g. the relationship between new construction and maintenance, modernization, and reconstruction.

In no case may functional design be underestimated on the basis of the intrinsic values to be assured without fail or the use requirements, respectively. The realization of each functional solution requires materials equal to that type with which the function itself is not conclusively tied to one method of construction. A major area of materials economy also lies in the future in the mastering of the various material, construction, and technological possibilities of the structural conversion of a function relatively unchanged in its characteristics.

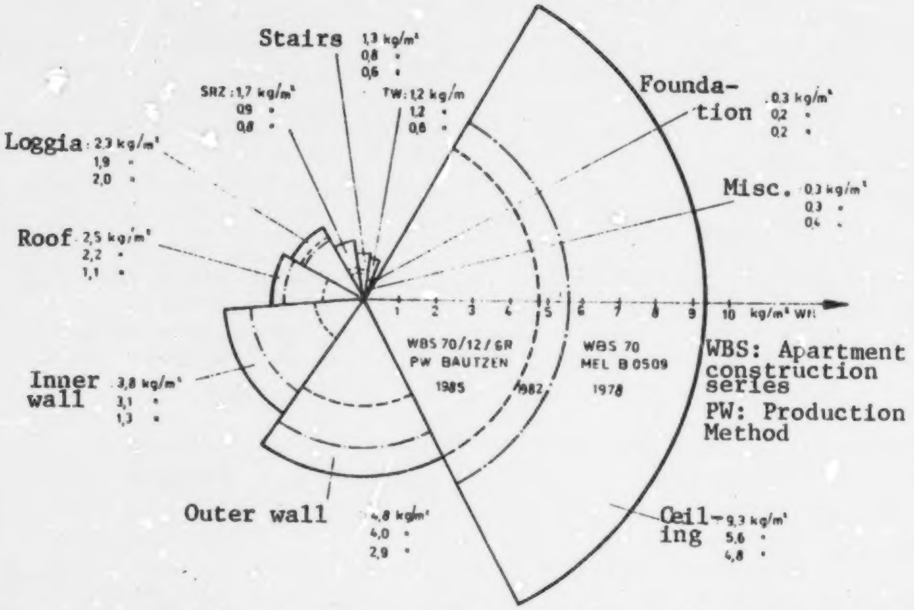


Figure 2. Reduction of the Investment in Reinforcing Steel in the Apartment Construction Series 70

Steel construction can be influenced by the following:

1. Suitable choice of the method of construction of the building skeleton and the construction materials associated with it;

2. Simplification of construction solutions used with economies at different levels down to the scientific-technical threshold;

3. Introduction of new construction-technological solutions that make an encroachment necessary into the present materials, construction, and technological data and lead practically to the innovation of the conditions of the building.

Recently the steel incorporated into large slab construction was successfully reduced significantly through progressive scientific-technical measures such as by simplification. Among other things, this is closely related to the abolition of cross reinforcement in the case of the WBS-70 apartment construction series prestressed concrete along with the introduction of the layered slab foundation and the use of ETV concrete. A detailed account was given on it. The lower limit is reached according to (2). Concrete--the main building material of our time--must be used more than before with greatest efficiency and quality. An important criterion of efficiency for a concrete since time immemorial is the addition of the minimum amount of cement whereby technically and economically optimum marginal conditions of construction and finishing are fulfilled and requirements that cannot be lowered regarding quality and the intrinsic value of the products must be guaranteed.

Even with the evaluation of all objective differences in building constructions and finishing conditions we have a high consumption in the slab factories.

The reduction of the cement use must be primarily based upon a very critical analysis of the products in order to make an objective comparison possible, to determine causes, and to derive attainable minimum values. A further materials-technological improvement in quality of the prefinishing whose measures are sufficiently well known, is necessary in order to become suitable for the high demands of the ETV concrete.

Quality

The demands on the reliability of outer shell constructions, outer wall and roof, are growing and along with those on the quality with its subjective and objective effects. Quality analyses indicate the importance of immediate measures but also show the need for concentrated research efforts in connection with the further and new development of the building shell constructions. With the turn to intensive construction unifying old and new we must come step by step to build with conservation in mind whose philosophy comes down to what we understand as reliability: namely in the sense of cybernetic systems theory the degree of susceptibility to interference of a system.

Reliability of the outer shell construction is an expression of the probability of the correct fulfillment of its functions under severe surrounding conditions, which are today much more complex and complicated than previously.

Building with conservation in mind with periodically differentiated use and optimum periodically delayed repair cycles in this connection becomes one of the economic tasks with highest priority. As is the case in machine construction, for example, deterioration mechanisms affect the deficiency rate over a period of time which is shown in the example of the so-called "bath-tub curve." If this apparent scheme is applied to the building shell, then early and incidental deficiencies are minimal for walls and traditional roofs built according to the old rules of construction, and later deficiencies are postponed to a great extent with the necessary, prompt maintenance and repairs.

Otherwise the situation with today's industrial building must be able to development without generalizations. While the incidental deficiencies remain relatively few in the cases of examined constructions and processes, original deficiencies, e.g. in elements of the large slab construction, are still present in too high proportion which is too high. Apparently, based upon characteristic fracture forming substances, they develop right in the finishing process and shortly thereafter. Still hidden they lead to a drop in the deficiency rate, but then often significantly increase and speed up the later deficiencies. The causes mostly lie in the uncontrolled finishing with too little examination, whereby the weather protecting layer of the three-layered outer wall takes on a dominant position. If we must still watch how the phase of the later deficiencies is made evident, then indeed upon the basis of accumulating international experience doubt and with it dedicated preparation of suitable methods of restoration is to be expected. It is undisputable that regarding the early and late deficiencies along with the most extensive elimination of negative, subjective effects, complex scientific efforts with the goal of systematic prophylaxis and building for easy maintenance are required in order to approach the curve of traditional building.

It would be premature or not yet possible, respectively, to point to the usual assembled outer walls regarding their reliability, principles of construction, choice of materials, finishing, and maintenance. At this time the abundantly available analytical material must be critically evaluated, and on this basis the so-called wear research was begun. In this case we are dealing mainly with the uncovering and evaluation of the complicated chain of causes which would be hardly successful without comprehensive large-scale experiments simulating the actual relationships. With this the comprehensive partial data, that are already available among others for the mechanical and thermal characteristics, for the corrosion, for the building materials, for the machinery, must be included and considered in its complexities. The goal is to reach as quickly as possible new fundamental rules, which, in close connection with a well-qualified control, lead to a detectable minimizing and delay in the later deficiencies.

BIBLIOGRAPHY

1. Ruehle, H., "Energy-Materials-Environment-Aspects of the Building Shell," BAUPLANUNG-BAUTECHNIK, 1981, pp 291-292.

2. Ruehle, H., "Increasing the Materials Economy in the Example of Apartment and Business Building," BAUPLANUNG-BAUTECHNIK, 1975, pp 322-325.

3. Ruehle, H., "Thoughts on Development of Steel Consumption From an International Viewpoint," BAUPLANUNG-BAUTECHNIK, 1983, pp 483-485.

4. Ruehle, H., "Realization and Construction of Durable Concrete Buildings," Third Concrete Symposium 1981 (Apolda), "Bauforschung-Baupraxis, Qualitaetssicherung im Betonbau Teil I" [Building Research-Building Practice, Quality Assurance in Concrete Construction, Part I], 98th BAUINFORMATION GDR (Berlin), 1981.

5. Ruehle, H., "Requirements for the Reliability of the Shell Construction Outer Wall/Roof of the Large Slab Building From the Viewpoint of Building With Maintenance in Mind," BAUZEITUNG, 1984, pp 545-546.

6. Blobelt, J., Seidel, B., "Design Fundamentals of Energy Economy in Apartment Construction," Manuscript as work assignment. Building Academy of the GDR, IWG, 1984.

7. Blobelt, J., "Aspects of the Further Development of the Apartment Building With an Energy Economy Pointof View," BAUFORSCHUNG-BAUPRAXIS 121, Berlin, 1983.

12446/9365
CSO: 2300/1

MEASURES RECOMMENDED FOR IMPROVED USE OF BUILDING MATERIALS

East Berlin BAUZEITUNG in German Vol 39 No 7, Jul 85 pp 298-299

[Article by Prof Dr Alfred Bernt, Institute of Technology in Leipzig, Construction Engineering Section]

[Text] Reduction in the Consumption of Materials

During the past 30 years over the whole world as much raw materials were taken from the earth as were during the whole human history heretofore. This fact makes clear the magnitude of the necessary reduction in the consumption of these materials. This applies in particular to the construction industry which is a large-scale consumer of materials and energy. From the viewpoint of economics a great responsibility falls upon the construction engineer.

In the coming decades fundamental technological changes can be expected. The intensified adoption of technologies producing fewer waste products and the development of tightly closed production cycles become an urgent commandment. The limited availability of steel, synthetic materials, and other building materials reinforces the requirement for the recycling of used materials. In the future even gravel will no longer be available in the proper quantity and in the necessary quality. Accordingly, even now structural skeletons of buildings with regard to solutions in assembly technology and geometrical precision should be constructed in such a manner that after the demolition of the building structural features of reinforced concrete, e.g. slabs and transverse wall elements as well as supports and girders, can be used again. If this is not successful, then the danger exists that the construction industry will turn into a waster of materials. Of importance in this case is the maximum utilization of by-products and secondary raw materials including their refining.

In order to reduce the economic investment to a greater extent, we need a new generation of buildings founded upon the basis of the available materials technology. In the case of their development, constructive and technological solutions must be sought whereby new construction, maintenance, renovation, dismantling, as well as the recycling of building materials and building parts form a single operation. Our buildings at present do not meet base requirements.

The development of a new generation of buildings and building components should be based first of all on the analysis of available defects and deficiencies in buildings and the determination of the symptoms of wear to be expected over a long period. With research into wear and aging, special attention must be given to aspects of theories on reliability.

At this time recognized weak points in industrially finished buildings are as follows:

--fissures in assembled outer walls of light and heavy density concrete,

--closed but unsealed and open joints,

--defective coverings and coatings on roofs and walls,

--worn out TGA [technical building equipment] installations (heating, ventilation, sanitary) such as

--defects in loggias and other building sections that are exposed directly to the effects of the environment.

With the further development of outer wall and roof constructions special emphasis must be given to the fact that later repair and renovation measures are possible on the basis of industrial processes. In this connection it is necessary to analyze the building components of outer wall and roof as their constructive and technological function, to superimpose them with the conditions of the reconstruction, and to derive the proper conclusions for new enclosing constructions.

Decisive factors for the development of new enclosing constructions are:

--improvement of the mass to performance ratio,

--utilization of the passive and active environmental heat yield,

--provision for the exchangeability of building components and building parts with limited durability,

--development of force held construction connections that are suitable for the ready dismantling of the building components.

Possibilities for the reduction of the materials investment among other things are:

--the expanded application of industrial monolithic construction methods,

--the further development of the construction method with finished parts in combination with the industrial monolithic construction,

--the stronger application of compound and connected constructions,

--the use of classifications of concrete with greater resistance to pressure,

--the expanded use of prestressed concrete,

--the more frequent use of tridimensional supporting structures,

--the use of plastic transverse and standard supports.

Reduction of Energy Consumption

The task is assigned to the building industry of the GDR of reducing the energy consumption by space heating by 40 percent.

The "environmental energy" which is based lately upon solar energy to be used in the future to a greater extent for space heating is not only a requirement, that is derived from the deficient availability and rising cost of crude energy resources, but is at the same time an urgently necessary endeavor on the part of the building industry to reduce the environmental pollution. As builders, we must in the future feel obligated to be more conscious of this need.

For the collection of environmental energy and its utilization, passive, active, and hybrid systems are available to us. While, in view of our climatic conditions, an economic utilization of active solar measures is controversial, in the opinion of the author the passive possibilities of solar energy utilization are given too little attention. The building climatic and building physical fundamentals needed for this are available. They are only to be used appropriately and to carry the project into practice. The passive use of solar energy is based exclusively upon the means of construction and in comparison with the active systems needs no mechanically equipped installation. In this case it deals with building according to climate. The most significant role is played by the window as solar collector. On the whole the window is to be viewed as a unit between the source of heat gain and the source of heat loss. For the planners this is a problem of optimization. Since with each windowpane the heat gain is reduced by about 10 percent, the use of triple glazed windows in the building wall facing the south must be questioned. Great heat energy savings can then be achieved with a southern orientation when double glazed windows are combined with movable installations that reduced the heat loss at night. With such windows with a southern exposure, that is windows with temporary heat insulation, with our climatic conditions heat energy savings of about 30 percent can be realized. The mobility required for the temporary heat retention measures is achieved by sliding, rolling, or folding. Installations of this type can be placed on the inside or outside and should form an additional, extensively sealed layer of air; they should consist of materials with slight heat conductance and possess a surface coating with a low emission rating. Temporary heat retention measures that at the same time act as an effective solar collector were installed so far unsuitably and insufficiently.

A good example in this area is the"Thermorollo" (5). It increases the heat retentiveness of a thermal glass sliding window more than double during the evening and night hours. Although the window is able to perform as a solar collector in connection with temporary heat retention for an effective contribution to heat energy economy, a significant reduction of the energy consumption for space heating is then achieved only when at the same time the city building, functional, constructive, as well as heating and ventilating possibilities available to us are used in a complex unit.

The city building possibilities are derived:

--from the decision on new construction or modernization, i.e., from the determination whether the energy in question is enjoyed or reused (50 tons of building material/unit of heat (kcal)),

--from the choice of the location and the distance between buildings with consideration of the slightest heat loss through wind velocities (the heat loss from increased winds can come to 30 percent; foliage in the open areas cuts the wind velocities),

--from the decision on the building shape and geometry with an eye on reducing heat demand, e.g.:

  --waiving tall buildings
  --enlarging the building depth
  --limiting the freestanding gables
  --use of business establishments located beside or underneath apartment houses, and

--from the orientation of the building toward the sky in view of the maximum heat gain from solar radiation.

Among the functional and constructive possibilities are

--the realization of staggered heat zones in the design,

--the utilization of the heat storage capacity of massive building components, in connection with windows as solar collectors,

--the improvement of the quality of heat technology in the outer wall and roof constructions, and

--the optimization of the layered construction of the enveloping constructions as a function of the requirements regarding the heat insulation and heat retention.

The heating and ventilation technical possibilities are provided:

--by the use of microcomputer regulated house supply centers that control the introduction of the heating medium depending upon the temperature and the wind velocity,

--by the use of interval heating and on demand,

--by the installation of heat recovery equipment for the exhaust air (40 to 70 percent of the heat from the departing air is usable),

--and by the use of radiating disks for the full and partial space heating of spacious buildings in industrial construction.

With the possibilities listed here in the future we shall be able to induce a significant drop in the energy demand for space heating. A condition is a complex, energy economy mentality, above all in the case of the development of a new generation of buildings. The success of our work will depend upon how architects, construction engineers, and building economists carry out their tasks with energy in mind.

BIBLIOGRAPHY

1. Schmiechen, K., "Unified Direction, Planning, and Carrying Out Complex Building Measures in Inner City Areas," BAUZEITUNG, 37(3), 1983, pp 122-123.

2. Klemm, H., "The Scientific-Technical Projects and Information to Date in the Case of the Development of Product and Process for the Dwelling Construction in Inner City Areas," BAUZEITUNG, 37(12), 1983, pp 584-588.

3. Gertis, K., "Use of Solar Energy--With Passive Instead of Active Means," Reprint from HLH 33(5), 1982, pp 169-173.

4. Eichstaedt, J., Seiffarth, H., "Results and Projects on the Simplification and Further Development of One and Multistory Buildings From Multipurpose Constructions for Industry," ARCHITEKTUR DER DDR, Berlin 1982 (7), pp 393-397.

5. Bernt, A., "Energy Savings by Windows With Thermorollo," Third Colloqium on Building Completion Technology, Conference Contributions, Technical University Dresden, October 1981, pp 143-149.

12446/9365
CSO: 2300/1

OUTER WALL THERMAL RETENTION INCREASED THROUGH AIR-POCKETS

East Berlin BAUZEITUNG in German Vol 39 No 7, Jul 85 pp 304-306

[Article by Dr Peter Bauer, Chamber of Technology, Institute of Technology Leipzig, Construction Engineering Section]

[Text] Determination of Economic Objectives

With regard to the economically required energy and materials conservation as well as material substitution and increase in export profitability is a requirement for the development of outer shell constructions with favorable mass-performance ratios. A possibility for this consists in the sensible use of the air of the medium. In the case of layer thicknesses >5 mm the air is a poor conductor of heat and a "building material" available in unlimited amount. According to the desired objective either heat energy or materials can be conserved (the first cited objective should have first place).

--Through optimization of thermally effective air-pockets heat retention through construction technology can be improved without the additional use of insulating materials. This means that during the cold season the heat energy demand drops and in the warm season in the case of light outer shell construction the costs for ventilation and air-conditioning technology installations are reduced or it increases the thermal comfort of the room climate.

--If the objective lies in the direction of limited material investment (construction material), with constant heat energy demand thermal insulating material can be conserved.

An additional positive effect occurs with the arrangement of air-pockets through multilayered construction necessarily connected with it regarding the moisture proofing. The penetration of precipitation moisture into the outer wall is made difficult, condensation formation is either blocked or at least limited, and the drying out characteristics become more favorable. The result of all this is thus a better heat retention.

Outer walls with air-pockets can find use in industrial and business construction but also in dwelling construction. With the results of the investigations a contribution to the light, economical construction with domestic raw materials to the greatest extent for new construction as well as with the restoration and renovation of old buildings.

Scientific-Technical Problem

The three components of heat transfer--heat conductance, convection, and heat radiation--are influenced significantly by air-pockets of certain geometry and the material of the surrounding the air-pockets. There is a series of publications on the convective heat transfer in air channels and pockets. They refer, however, to air channels or pockets, respectively, in a plane orthogonal to the heat current. The hollow spaces in this case are either fully closed or, however, open on two sides with a broad surface so that the convection is brought about mainly by wind.

The arrangement of several air-pockets one behind the other, whose surrounding surfaces partially reflecting and whose air-pockets are neither hermetically sealed nor developed as posterior ventilation, was so far hardly or not examined. Air-pockets in this arrangement and construction possess indeed advantages thermally and with regard to dampness.

The central point of the investigations is the thermal efficiency of ventilated and fully closed air-pockets with partially reflecting surrounding surfaces in the outer walls. In the results of the not yet concluded theoretical and experimental investigations with consideration of moisture protection the air medium is used approximately optimally under winter and summer conditions for the improvement of the architectural heat retention.

Methodical Procedure

Since neither the necessary initial values for a calculation of the thermal efficiency of a number of air-pockets arranged one behind the other with separatory surfaces of various materials nor a practical basis for the calculation itself are known, the achievable effects were then derived experimentally with high priority. The experimental investigations carried out in the Engelsdorf Laboratory for Construction Physics were conducted during the cold season under quasistable conditions, i.e., natural external climate and constant room air temperature, and in the warm season under inconstant conditions with natural outdoors and room climates. The measurements under natural climatic conditions have the advantage of relevance to practice and provide data on the effects of meteorological values, such as wind and sunshine, on the relevant quantities of heat retention technology in the outer building components.

Because of changing external surrounding conditions--particularly in the warm season this occurs repeatedly with great frequency--the measurement and recording of a great number of data is unavoidable. Just with the measurements in the winter of 1983-84 for the calculation of the resistance to heat conduction about 15,000 individual values were used. On the average for each layer series studied about 300 individual heat conduction resistances had to be calculated. This large number of individual values and the good normal distribution of the individual data obtained from most of the experiments lead to the expectation of a reproducibility of the data.

In the case of quasistatic conditions from December to the beginning of March, a standard deviation of an average of $\bar{3} = 0.064$ could be obtained. With increasing sunshine intensity from mid-March to the beginning of April the standard deviation increased on the average to $\bar{s} = 0.127$. It should be noted, however, that apparently false single values from the effects of sunshine and from above average wind velocities were disregarded during the evaluation of the experimental series.

In order to obtain relevant data for the warm season, the measurement cycle was sextupled, and in fact to 144 cycles per day. Accordingly, even short-term meteorological changes and their effects on the external building portion surface can be caught. Since these fluctuations have varying effects according to intensity and duration on the course of the temperature on the internal building portion surface, the measurement series was screened. With the derivation of the temperature amplitude damping--more correctly: temperature amplitude ratio--$\nu = \hat{t}_{o,e}/\hat{t}_{o,i}$ (without units)--the actual phase shift is given consideration. The results of the mathematical treatment of the entering and leaving values for the derivation of the temperature amplitude ratio are results representative for each single experiment, which according to the meteorological conditions are comparable also with other experiments.

Under natural, thus conditions close to practice, realistic and also reproducible characteristic quantities can be derived insofar as in the median the climatic relationships present are given. This method of measurement forms a logical connecting link between the methods of the climate chamber and experimental building. It connects the advantages of the laboratory investigations on the one hand with those of the close to practice marginal conditions of the other methods.

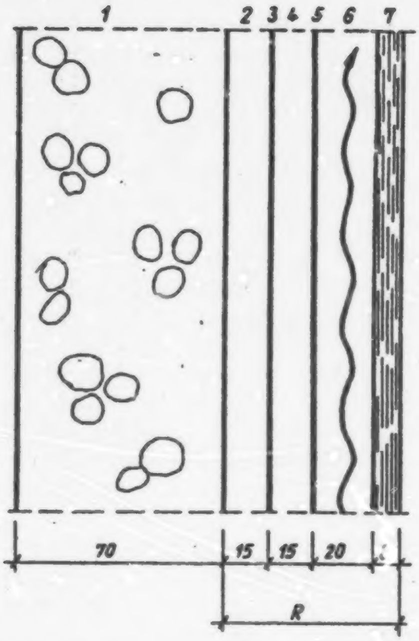
On the Efficiency of Air-Pockets for Architectural Heat Retention and Their Practical Application

In most of the cases of application a layer of heat insulation on the outside in contrast to the one inside offers greater advantages. In the case of full utilization of the thermal capacity of air-pockets heat insulating outer walls can be constructed without the use of commercial heat insulating materials. The principle series of layers is:

20-100 mm	inner shell, solid
10-20 mm	air layer not hermetically sealed
10-150 µm	radiation reflecting separatory layer
10-20 mm	air layer not hermetically sealed
10-150 µm	radiation reflecting separatory layer
20-25 mm	posterior ventilation
1-10 mm	weather resistant outside surface

The picture shows an example of a layer series. Disregarding the self-supporting solid inner shell, only the two or three, respectively, air-pockets, the radiation reflecting separatory layers, and the resistances to heat conduction contribute significantly to heat insulation.

The three components of heat transfer are minimized in the following ways:



Layer series in an experimental wall:

1. light concrete
2. air layer not hermetically sealed
3. aluminum vapor plated foil
4. air layer not hermetically sealed
5. aluminum vapor plated foil
6. posterior ventilation
7. asbestos cement shingle

Heat conduction

Through the separation of the individual layers of materials the heat conduction, which is typical particularly for solid materials, is severely limited. The heat conductance of resting air according to Haeufgloeckner (1) comes to $\lambda = 0.023$ W(m·K). Since air in a pocket cannot be kept at rest, the heat insulating properties of an air-pocket does not increase with thickness in a straight line curve.

Convection

As a result of the temperature difference between the two surfaces touching the air-pocket, the air is set into motion (not only thermal updraft). In the case of relatively thin air layers with smooth touching surfaces, the air current is mainly vertical and with small velocity. The less the ventilation of an air pocket, the less the heat conduction. Hermetically sealed air-pockets show the least convection since no exchange of air with the environment is possible.

In the literature a thickness of sealed air-pockets of 40 mm to 60 mm is reported to be the thermal optimum. Between 0 and about 15 mm a strong rise in the resistance to heat penetration can be found; above that still only a very little. In our own measurements this could be determined also for air-pockets not hermetically sealed. In order to achieve a good volume-performance ratio and on the other hand to prevent touching the bordering surfaces, air-pockets in outer walls (new construction) should preferably be 15 mm to 20 mm.

Since it must be assumed that in outside walls hermetically sealed air spaces can hardly be built, the formation of condensation moisture must be avoided through regulated air movements. An increased convection is connected with this intended, slight ventilation, which, however, with the suitable choice of openings has almost no effect on the resistance to heat penetration. In the case of an air-pocket completely open at the bottom about 85 percent of the heat insulating properties of the air space are still retained. If the air space is open at the top and bottom to about 10 percent of its cross section, the reduction of the insulation value in comparison with the hermetically sealed air pocket is so small that it could not be determined under quasi-fixed conditions. A number of experiments proved that openings placed above and below coming to 10 percent of the air space cross section with an inner wall of 70 mm light concrete and in a flat land climate was sufficient to achieve an elimination of condensed moisture on the surrounding surfaces.

Table 1. Resistance to Heat Conduction (R) and Heat Insulation Equivalents for Air Space Series (provisional results)

Air layer series	R $m^2 \cdot K/W$	Insulating equivalent Polystyrene mm	HWL shingle mm
AP/Al dep. PVC-H foil/PV	0.4	15	35
AP/Al dep. Polyester foil/PV	0.55	23	>35 (45)
AP/Al dep. PVC-H foil/ AP/Al dep. PVC/H foil/PV	0.7	28	25 + 35
AP/Al dep. Polyester foil/AP/Al dep. Polyester foil/PV	0.9	37	25 + 50
AP/Al foil/AP/Al foil/PV	≈1.0	40	75 ($\rho d = 250$)

AP = air pocket
Al dep. = vapor deposited aluminum
PV = posterior ventilation

Heat Radiation

A portion of the heat given off by a part of a building is always emitted as radiant energy, that when in contact with another solid is converted once again into heat. If the surface of this material is strongly reflecting, this material absorbs only a little energy and as a result also warms up only a little. The reflected radiant energy returns to the part of the building and is absorbed in the form of heat energy. This means that the greater the reflectivity of this "radiation shield" and thus the smaller the emission capacity is, the smaller the current of heat through the whole building component. A particularly low rate of emission (ε) is provided by glossy aluminum surfaces, such as for example, aluminum foil. The reflection from polyester film with vapor deposited aluminum is only insignificantly worse. Other carriers with vapor deposited aluminum, e.g., PVC-H foil or paper, provide a clearly worse emissions capacity based upon their significantly rougher surface.

Since the aluminum surface loses some of its reflecting capacity through oxidation and impurities in the air, it is recommended in the case of outer walls without heat insulation that two reflecting foils be set up.

From experimental investigations over a 3-year period which were carried out on outer-walls consisting of a 70 mm light concrete inner wall, an "air-pocket series," and a weather resistant shell of asbestos cement or glass shingles, the resistance to heat conduction (R) shown in Table 1 could be calculated for the "air-pocket series" (without light concrete). Furthermore, the table reports the layer thickness for two heat insulating materials that correspond to the "air-pocket series" in the resistance to heat conduction.

The layer series of an experimental wall shown in Figure 1 can be modified for practical application to new construction through the replacement of the light concrete with a thin shell of high density concrete. At present in cooperation with the VEB Metal Light Construction Combine preparations of a prototype of an industrial gate with air-pockets are being made.

Outer walls of old buildings, whose weather proofing and heat retention are no longer sufficiently provided, can be restored with the aid of previously prepared, hand installed "air-pocketed, weather proofing components." Even with just one foil the heat insulation of a one-and-one-half thick stone, brick outer wall is doubled. If the wall is still moist--this is very often the case with deteriorating plaster walls--the existing heat insulation can even be tripled with one foil since the "air-pocket construction" favors a drying out of the brick wall.

Remarks: This article is the result of collective research efforts to which Dr L. Hanke and Dipl.-Ing H. Wollny contributed.

BIBLIOGRAPHY

1. Haeufgloeckner, "Strongly Heat Insulated Glazed Components. E + F," 6, 1978, pp 42-43.

12446/9365
CSO: 2300/1

REFINING OF RAW MATERIALS, LIGNITE PRESENT ECONOMIC PROBLEMS

East Berlin WIRTSCHAFTSWISSENSCHAFT in German Vol 33 No 6, Jun 85 pp 883-90

[Article by Gerd Schirmer]

[Text] Higher refinement of raw materials and energy resources plays a central role in the transition to comprehensive intensification. This is why that topic was the subject of a conference of the GDR Academy of Sciences' (AdW) Scientific Council for Theoretical and Practical Issues of Energy and Material Economics, which convened in the Freiberg Energy Institute in September 1984.

In his introductory remarks, Professor Heinrichs, chairman of the Scientific Council, underlined the great importance of the conference topic for accomplishing our economic strategy. It is, therefore, particularly important for representatives of the natural, technical and economic sciences as well as economic experts to discuss related theoretical and practical problems and contribute to their interdisciplinary solution. Utilization of lignite as a domestic raw material determines how and through what social efforts the energy and raw material basis can be safeguarded. This raises both practical and theoretical economic questions that are of general importance for strengthening the intensively expanded replacement of capital investment.

In his speech before the Economic Conference of the Karl Marx Year and during the consultations of the SED Central Committee with the general managers of the combines in March 1984, Guenther Mittag noted the importance of production refinement for our strategy and outlined a basic orientation for the council's activities.

Starting with the results, specifically obtained for the 35th anniversary of our republic, Professor Bachmann (Mining Academy Freiberg) laid out the theoretical and practical tasks that are central to any interdisciplinary and disciplinary work for the transition to comprehensive intensification. As stated at the 7th and 8th meeting of the SED Central Committee, greater progress must be made in energy resources and raw materials refining so that greater efficiency can be achieved through new products and new technologies. Past experience indicates that refining measures must be put into operation faster and on a broader economic basis.

Higher refinement must be considered a special labor process, he said. While quantitatively, higher refinement leads to greater performance and thus to comprehensive satisfaction of existing needs at the same level, qualitatively, it increases the use value, which makes it possible to better meet new or existing needs. By adding qualified human labor,higher refinement will contribute to human and concretized labor savings. The refinement of various raw materials depends on the material and on the technology as well as on the specific work effort and the produced use value, or on its production conditions and the impact of its economic application, respectively. " Normally, increased use value in coal refinement does not lead to innovative products; coal refinement is primarily substitutive in character in that it physically replaces gaseous and liquid raw materials whose acquisition is tied to large import expenditures. In the case of basic raw materials, the economic cost advantage must be obtained by capital- and energy-intensive processing steps, so that based on today's knowledge, we can expect neither an absolute nor a relative improvement in the intensity of our capital investment fund ."

The technical and use value covers a number of steps in the refinement of lignite, which causally are related, both in terms of technology and material-energy, and which have different operational and economic effects. In addition to focusing on the highest refinement level, the lower levels must also be taken into account under the prevailing conditions, especially if the requirements of the economy, the time factor and a short return-flow time of the expenditures warrant it. In efforts to determine the socially required labor for carrying out the individual steps on the basis of technological data, " scientific-technical and economic thinking meet early and provide concrete points of departure for the interdisciplinary work of engineers and economists ."

Higher refinement creates new problems with regard to the recycling of waste materials into secondary raw materials. The greater the level of refinement, the more does the final or intermediate product--and thus the waste material--differ from the original material. It is economically desirable to recycle waste in the form it is available, since use in any other production form requires additional effort. This poses new requirements for the recycling technology.

" Refinement, which in every instance must be associated with a lower energy, raw material and equipment production intensity , means less energy and materials per unit of use value unit. However, one can only speak of a higher refinement if the use value produced from a raw material by way of science and technology, combined with complex processes, is greater than that of the use value of the product previously produced from the same material. This must be the determining path of the future. In this connection, it is useful to analyze the connection between higher refinement and the dynamics of production consumption and to justify the resulting decisions both from the standpoint of the product and the process. This is necessary because the different conditions in the extractive, processing and manufacturing industries require different judgments in terms of the higher refinement. " From the point of view of use value, the essence of higher refinement consists of the productive utilization of new scientific-technical findings, of newly developed or more advanced products and methods. As a result of exceptional power to produce ... their productive, economically efficient utilization must lead to widespread and intense economic application, by putting them into production fast and above all by distributing them fast ." Here again, one must start from the specific capital replacement requirements of the individual branches and sectors. Hence, basic product innovations in the raw materials producing sectors are of secondary importance.

The best results for economic efficiency and the production structure are derived from the refinement of raw material processing and the transformation of primary energy. It permits the manufacturing industry to reduce the raw material, energy and capital intensity of its production processes and to contribute to meeting domestic and export needs in a better way through new products and higher use values. In terms of raw material producing industries, it contributes to resource-saving capital investments.

Refinement of raw material processing and energy transformation take the form of new or improved materials and energy sources and provides the strongest technical impulses for higher refinement in the manufacturing industries. Thus, in the raw materials processing enterprises, " a variety of scientific and technological efforts are required to compensate for a refinement deficit, so-to-speak, that is the result of less favorable natural conditions, especially in terms of the quality of domestic raw materials in comparison to that of imported raw materials and energy resources. Refinements achieved so far, which match the world-wide level as far as product quality is concerned and which lend themselves for export, must be valued that much higher ."

In order to evaluate higher refinement, criteria and characteristics are required. " Basically the degree of refinement can be determined by comparing the use value of a product with the cost required in terms of raw materials, energy, and equipments. This general formulation for specifying the degree of refinement should be reflected in all forms of refinement indices that are applied on the basis of specific conditions. For comparison and planning purposes, the refinement degree must be expressed in the value. By doing so, the measurable orientation towards higher use values is lost, but since the use value is a factor in setting prices and corresponds to the price, a representation based on value in the numerator of the degree of refinement is justified and even necessary for planning and accounting purposes ."

If the raw material, energy and material consumption is measured in terms of the net product, the degree of refinement expresses most clearly the larger use of skilled human labor in its use-value and value-forming potential, which expresses at the same time the proportion the new value represents of the total production value. The net product shows the result of higher refinement more clearly than the other production results. In exports, the decisive criterion for refinement is the net foreign-exchange earnings. For specific products of the manufacturing industry, the price per kilo has a similar function. Here, differences in world-wide levels and development cycles can be shown particularly well.

Further economic research should focus on studying the economic aspects of higher refinement as related to the theory of value. " It is widely assumed that, in every instance, higher refinement must lead, on a societal level, to the creation of additional new value. Obviously, value dynamics and reference quantities are not given sufficient consideration in that the creation of additional value through refining can only refer to a concrete product in contrast to those producers who do not (yet) do any refining during the same production and realization period ." During the subsequent production phase, the additional new value disappears in the now lower product value. In connection with higher refinement, there is always talk of skilled labor; this refers primarily to the skill level of the producer. As concrete labor, skilled labor increases the use value per unit of energy, raw material or equipment. As abstract--value creating--labor, more skilled or complex labor is, according to Marx " exponentialized, or rather multiplied, simple labor ," i.e., labor of " exceptional productive force ." In refining, skilled labor means more complex labor.

Another problem discussed was to examine the relationships between producer and user utility and the related question of price formation for refined products. " In many instances, the refinement of raw materials does not become effective in terms of use value, cost reduction and increased profit until it reaches the user. User utility is often a multiple of what the producer has earned from higher refinement in terms of income and increased profits. This raises the question of how industry and the enterprise set the prices of more highly refined products ." After all, the question is to also permit the producer to benefit from the high user utility and to reflect it in larger measure in the price of refined goods.

The discussants talked about both the basic issues of refinement and focal points of refining lignite.

Professor Krug of the Freiberg Mining Academy addressed in his paper the mechanical-thermal refinement of lignite, lignite briquetting, which is the first of several technological steps of the current refinement process. Since it is no longer possible to make a significant improvement in the quality characteristics through high temperature carbonization, new ways have to be found to achieve a higher refinement of our lignite deposits. Account should be taken here of the fact that the quality of raw lignite and its change have a decisive effect on technology. A briquette is needed which is suitable for pyrolysis. This pyrolytic briquette is an essential prerequisite for both the liquefaction and gasification of lignites as well as for the manufacture of a high-strength BHT [lignite high temperature] coke that is used in metallurgy. The technological characteristics and their economic use were discussed on the basis of a number of research results.

Professor Klose of the Freiberg Mining Academy spoke on the value in terms of energy and savings of coal refinement methods, the end products of which are always energy sources with a high degree of utility and/or materially useful products. " The development of new methods for coal refinement or the intensification of existing technolgies must be assessed from the standpoint of energy and economics ." Here, it's a matter of evaluating different methods with a view to making possible improvements, and of their comparability. A comparison is meaningful only when the target products are comparable, i.e., when they are substitutable. For a technical evaluation of the methods, the degree of energy efficiency is suitable. For economic evaluations and comparisons, the whole energy cycle, beginning with producing the primary energy source up to the application of the energy must be considered.

To perfect existing and to develop new methods, high effects of quality and quantity of products, and of energy and economics must be achieved and the working conditions in these plants must be improved. Of decisive importance is also the environmental impact of the processes, especially since proven methods and those that must be newly developed are going to play a role well beyond the turn of the century.

In order to reach comparable conclusions on the economics of coal refinement, the following relationships must be taken into account: 1. Is there a relationship between the degree of refinement and the economic cost; 2. Can the degree of refinement be expressed by the degree of energy efficiency, which is a function of the primary energy resources used; 3. Are the costs--related to one unit of primary energy--not a function of the degree of energy efficiency; 4. Are the costs of the used energy a function of energy efficiency; and 5. Are there indications that, with the same input and product goal, the costs are almost independent of the process used. To qualify these evaluation measurements, their extension and improvement is necessary and should be a topic for interdisciplinary research by engineers and economists.

Professor Teubel of the Freiberg Mining Academy addressed the economic importance of liquid products of coal refinement. In view of the lack of liquid hydrocarbons, and in view of the fact that the volume of crude oil is stagnating in the medium-term and stagnating and decreasing in the long-term, it is important for the GDR to ascertain how the increasing demand for fuel and chemical products can be met from raw lignite. The speaker came to the following main economic conclusions:

-- To use the most crucial mineral oil products, fuels, and organic materials in a meaningful way, to save them and to use them rationally;

-- To change the processing structure of crude oil, especially through deeper fractionation. In this area, the GDR already has reached a level that is remarkable internationally. However, these sources are being depleted and this is why lignite refinement is of great importance;

-- To use the by-products and related products of raw lignite refinement as crude oil equivalents;

-- To produce fuels from lignite. Direct liquefaction is the shortest, but technically most difficult, and economically most costly method. Old, well-known methods for direct liquefaction are today, and will continue to be in the future, no longer useful. The issue for scientific technological development is, among other things, to increase the flexibility in the use of raw lignite considerably and, since a qualitative selection is no longer possible, to gain a basic knowledge on sequential chemical processes.

This strategy of refining requires the assured availability of lignites. Although an increase in their extraction has been planned, lignites needed for refinement must come from energy savings.

These complex questions were also discussed by Dipl. Ing. Kroll of the Freiberg Fuel Institute. He said that research should primarily focus on developing and transferring new lignite refining methods, on expanding the primary energy base by including saliniferous lignite, on rationalizing traditional methods, and on ensuring high product quality despite the fact that conditions are getting worse. Our main efforts must be directed towards methods permitting the economic, material, and energy use of lignites. Among them, pressurized coal dust gasification is the most important, but also most difficult task to solve.

Dipl. Ing. Schwerdt of the Ministry for Chemical Industry spoke on developing the use of fossil coal resources as chemical raw materials. Consistent, more intensive decomposition could cut crude oil imports, while satisfying at the same time the higher demand for fuels. However, this would require considerable investments. Intensified crude oil decomposition is the most economical way today. In the medium term, this will meet the increasing demand for chemical raw materials and fuels and for heating oil that is needed for technological processes. The main road towards satisfying the long-term needs for chemical raw materials and fuels is to refine our domestic lignite by gasification and liquefaction. In this, the declining quality of the coal must be taken into account, which continues to require considerable research. This path requires both one-time and continuing expenditures.

Selected problems in refining chemical products were discussed by Dr. Fiedler of the Chemical Advisory Office in Halle. He stressed that refinement on an economy-wide scale must lead to a better output/input ratio. " This, however, is not the case when base chemicals bring higher profits when exported than highly refined products. This shows that antiquated, material- and energy wasting technologies, when used for higher refinement, may diminish returns, if compared with the export of basic chemicals. For that reason, the demand for higher refinement must not be accepted at any price, i.e., at any cost, but must be carried out with methods which correspond to the international technological level. Consideration of the foreign-exchange advantages of refined products can serve as an indication of the benefit of refinement ." Detailed research must clarify those steps in the refinement process in which existing technologies provide great economic benefits and those requiring technological changes in order to obtain high benefits.

Professor Binting of the GDR Academy of Sciences' Institute for Chemical Technology addressed the problems of carbo-chemical refining. Here, refinement projects often mean considerable expenditures for large-scale research and production. In many instances, it is possible to obtain identical end- or intermediate products by using different methods. He said, a special problem is that the economic optimization of each refinement phase requires that the whole production process must be evaluated on an economic, ecological and social basis. It must range from extracting the raw material from nature to consuming the material or using the economic end-product, including recycling waste materials from consumption back to production or nature. A central point here is to report, record and analyze the utility to the user. For refinement processes in carbon chemistry, the costs of protecting the environment must be considered as part of the socially required labor effort.

Dr. Herrmann of the GDR Academy of Sciences' Central Institute for Nuclear Research emphasized in his paper 3 main directions for coal refinement, which overlap in terms of time: modernization and intensification of classic refinement methods and equipment, complex use of harmful substances and coke-oven byproducts in making energy out of lignite, and development of refinement methods for lignites which cannot yet be used economically today. An effective strategy for refining lignite is only possible if treated as part of the complex energy and raw materials strategy.

Dr. Scharf of the Freital High-Quality Steel Works talked about refinement metallurgy. It involves a long-term program that requires considerable technological changes and investment and aims at ensuring the supply of the economy with high-grade steel, while maintaining, or even reducing, the consumption of material and energy. Among the specific tasks are:
1. To increase the use-value characteristics of products by manufacturing ultra-pure steels in the electron-ray multi-chamber oven, and to continue the development of plasma metallurgy; 2. To increase the degree of product packaging in order to save steps during subsequent processing; 3. To produce steels with very specific properties for material-saving processes; 4. To introduce material-saving technologies and methods to reclaim as completely as possible alloy components from scrap and to obtain considerably greater savings in the production and use of steel; 5. To introduce energy efficient procedures to reduce the extremely high intensity of energy. By utilizing secondary energy, energy sources should only be used for metallurgic processes and for providing heat to the area.

Economic policy questions of refinement were discussed by Professor Wolf of the Freiberg Mining Academy and Dr. Buechner of the SED Central Committee's Academy for Social Sciences. Wolf talked about the interrelationship of higher refinement, complex labor, and the creation of new value. He spoke of the impact of skilled or complex labor on the creation of new value in the economy, the creation of new value per unit of time and of the magnitude of new value per product. The first and most important aspect here is " that in the Marxian labor value theory, the magnitude of the value is always an average figure ". Since more skilled labor tends to be used for the higher refinement processes than for traditional processes of the same kind, the question arises, " what is the role of skilled labor in determining value ?":

1. In " a given society (in which) more skilled than simple average labor is used in the various production processes for higher refinement... more abstract labor is expended per unit of time and hence greater new value is created in these processes ".

2. Simple " average labor, which determines the creation and magnitude of value, is not a constant, but a variable magnitude, which depends on scientific-technical progress and its application to production ".

3. It is not possible for the new value to increases overall in the economy as a result of higher refinement, if the number of productive workers and time worked per year remain constant.

4. With the trend towards increased social labor productivity, the new value per product unit is declining because less abstract labor is being applied.

These are all questions that have to be looked into in order to better understand the theoretical relationships.

Dr. Buechner concluded that it is primarily deep-rooted changes in the work objects that force their refinement. Thus, refinement is an important efficiency criterion of material production, which covers all economic effects associated with processing work objects.

While the " degree of refinement " reflects the " economic efficiency of the labor objects, the efficiency of the refinement must be determined in light of the total effort in terms of human and concretized labor expended for the refinement ". Therefore, a distinction must be made between these two magnitudes. From the viewpoint of efficiency development, the speaker saw 2 basic tasks for increased refinement: 1. To ensure that each refinement measure is of high economic use; in particular, it must have greater utility for the user and 2. To increase the economic effectiveness of higher refinement, primarily by modernizing and reconstructing the existing production potential.

In his speech, the representative of the Minister for Coal and Energy, Hildebrandt, commented on the tasks and main directions of developing the GDR energy economy. Two goals are paramount for providing the energy resources required for economic development: to combine meeting the energy requirements of the economy with measures to lower the consumption of specific energy and to provide energy with a minimum labor effort. All sectors of society must do their share to minimize the consumption of energy by consuming energy in an economic way. Most important are, in particular, continued efforts to improve the efficiency of primary energy resources, the utilization of secondary energy, reduction of losses during energy transmission, and energy savings in energy-intensive processes.
Increased utilization of raw lignite and its higher refinement, reduction in the consumption of specific fuel heat in electrical energy generation, and the reduction of the internal consumption by power stations are important measures for these purposes. All these efforts are based on the effective

utilization of domestic lignite, which must be produced in larger quantities. Besides applying existing technologies to the rational utilization of lignite, a central point is to refine it through gasification and liquefaction. This is an important basis for using raw lignite for material-economic purposes and, by doing so, for increasing the supply basis for energy and raw materials overall. Simultaneously, expansion of the nuclear energy base will be accelerated so as to further expand its share of the electrical energy production.

Special emphasis is on the rational use of energy. Energy savings reduce the need for capacity increases and hence for capital investments. To exploit and make use of new savings potentials in all social sectors is an unprecedented challenge for science and technology.

In his concluding remarks, Heinrichs underlined the economic importance of refinement and pointed out that this interdisciplinary exchange of ideas had clearly confirmed the interdisciplinary character of this task. It is the result of refinement itself, which is a complex technical-economic goal that is intertwined with all areas of the economic capital replacement process. Each discipline must make creative contributions, which then lead to economic proposals. The economic evaluation of refinement as an economic task is a central focus for future interdisciplinary socio-economic work. In this context, refinement must be viewed as a social process. It is only meaningful if it improves in a noticeable way the ratio of user utility and production effort. To make this user utility part of the evaluation presents our natural-science, technological and economic research with new tasks and requires that the management, planning and incentive system be included in the analysis. Another important factor of refinement is the fact that the better utilization of raw materials expands their supply. This, in turn, is linked to the whole spectrum of social labor efforts for using specific raw materials more rationally and the possible expansion of targets. The technical and economic evaluation of resources and their refinement must help to find new potential savings as a source of growth.

7994
CSO: 2300/78

READERS PROTEST HIGHER CAR TARIFFS

Warsaw POLITYKA in Polish No 35, 31 Aug 85 p 4

[Letters to Editor by Stanislaw Tuzynski and Andrzej Ziemilski]

[Text] The increase in customs duties for imported cars is a clear admission of preference for Polish emigre firms selling used or casual vehicles on the Polish market, vehicles which in the Federal Republic of Germany would either be scrapped or sold for no more than half the price asked for in deutschmarks in Poland. It doesn't take too much imagination to come to the conclusion that Polimar and similar firms have gone to great trouble to bring about this new change in the customs duties.

It is difficult to see any advantage here for the state, which, if it really wanted to stop the flow of hard currency to the West to privately buy cheap used or new tax-free cars, would simply have authorized internal export through PKO-Polmo-Behamot, but above all would have increased the selection of cars offered for hard currency, improved customer service, and would have made it possible to buy spare parts through authorized services (present rules make it virtually impossible for privately operated stations serving western-make cars to obtain spare parts, while PZMot stores, which can obtain them, are unable to satisfy demand in that respect.)

The increase in customs duties will have no significance for the public in general, since those who have hard currency and want to buy a car, regardless of the poor selection at Polmo-Behamont, will spend that currency at Polimar, often for a beat up old jalopy put together from junked parts, thereby increasing the number of old, non-standard cars on the Polish market.

The higher duties on cars are also not of a protectionist nature, as is well know, those who have hard currency buy almost exclusively cars with high-power motors, which the Polish automobile industry still does not produce and will not produce for some time to come. But it is difficult to speak of significance for the public of higher duties when the new rates will equal 10 or 15 years wages for the average Pole! And it should be borne in mind that most of the people who buy cars for hard currency, in spite of appearances, are not speculators, but rather average workers, civil engineers, welders, doctors, bricklayers, seamen and others sent abroad on foreign contracts who pay a high percentage of their foreign currency earnings to the foreign trade organization which sent them abroad and who, due to the impossibility of buying a better apartment, for example, mark their material progress by buying a car.

The higher duties on automobile parts will have two consequences: 1) they will hinder the dieselization of private cars, thus working against a reduction in the demand for gasoline; 2) they will mean that foreign-made cars will be repaired with non-standard or home-made parts, which will mean that they will wear out faster, and thus society as a whole will be the poorer, and also, to a considerable extent safety on the roads will be ddiminished.

Both of these effects are in absolute contradiction to the economic interests of the state.

The only one to benefit will be the foreign firm importing high-power motors to Poland, or one selling spare parts.

As for the increase in duties on imported electronic equipment, what we have here is another case of throwing the proverbial baby out with the bath.

The most effective barrier, which on the one hand would discourage the "tourist" trade, and on the other hand make it possible for the more prosperous people to buy for their own use those technical achievements which have long been taken for granted in the West, would be to keep the customs duties at their present levels for the first piece of equipment while increasing the duties by several hundred percent for each succeeding piece. Also Pewex and Baltona should offer a broad selection of up-to-date video-cassette players, radio-tape-recorders, etc., at competitive prices, or at least at prices which would approach western tax free prices. Hitherto, prices at Pewex and Balton, aside from the total lack of selection, have been from 60 to 90 percent higher than in the West.

*

In a conversation with representatives of the trade unions it was affirmed that the government will do everything it can to assure that inflation does not surpass the 6.6 percent provided for in the plan. The latest increase in customs duties for imported cars and spare parts amount to approx. 120 percent. Will that really not influence the increase in the costs of transport (e.g. of food from the countryside to the cities in farmers' private cars) more than the amount provided for in the plan? Not to mention the psychological effects of yet another barrier to people's aspirations and changes of realizing them in this life?

9970/12951
CSO: 2600/18

ECONOMY POLAND

PLANNING COMMISSION REVIEWS MACHINE TOOL INDUSTRY

Warsaw RZECZPOSPOLITA in Polish 4 Sep 85 pp 1,2

[Text] A meeting of the Presidium of the Planning Commission of the Council of Ministers which took place on 3 September was devoted to development programs for the machine tool industry and for more efficient use of supplies of material and of fuel and energy for the period 1986-90. These programs will determine whether the tasks of modernizing the economy and consolidating the bases of its balanced and efficient development are fulfilled.

As the information presented at the meeting shows, the 350,000 machine tools in the economy are becoming obsolete. This is accompanied by the declining ability of domestic production to meet demand in this area. Under these circumstances, as was emphasized by Vice-Premier Manfred Gorywoda, president of the Planning Commission, in the coming years it will be necessary to considerably speed up the development of this "industry of industries" as a matter of the greatest priority. A tremendous increase in machine tool production, especially those of the "higher generation", which represent the technical means of production for the machine industry as a whole, is one of the basic ways of increasing the material efficiency of production. Modernization of the machine tool park is also a major source of increased labor productivity and a way to compensating for the labor shortage.

During the discussion the need was emphasized for ensuring the essential conditions for fulfilling the machine tool industry development program which was presented.

Exports were recognized as the main way to break down the barrier of technical supply, which will provide the funds necessary for essential import purchases. Increased exports, backed by specialized and cooperative agreements with the USSR and other CEMA countries, are an additional way to better meet the needs of the economy for machines and equipment not produced in Poland, and to improve our trade balance. The need to coordinate the machine tool industry development program with those of other industries, especially steel and electronics, was also emphasized, as well as with the tasks contained in national research and development programs and government orders in the area of scientific and technical progress. Attention was drawn to the need to straighten out maintenance and repair in the machine tool industry.

The Presidium affirmed that the machine tool industry can be fully effective and contribute to exports, and must base its development on the principle of self-financing. A comprehensive development program for the industry will be presented to the Government Presidium.

Discussing a program for more efficient use of materials and energy, presented by a government spokesman on matters of efficiency, the presidium of the Planning Commission recognized that its implementation will be an essential requirement for increasing material production and national income for the period 1986-90. This is based on the provisions for that period, according to which 60 percent of the increase in industrial production will be achieved through savings of fuel, raw and other materials. Achieving that goal will require ever increasing use of reserves and the greatest organizational and technological efforts. The center will primarily initiate and support efforts of enterprises aimed at the economic use of fuel, energy and materials. This will be promoted by institutional policies. The center will also conduct a policy of strategic investment. This will be based on plans for structural changes in the national economy as well as on a program of cooperation among the CEMA member-states in the area of efficient and rational use of material supplies up to 1990.

The program for greater savings, elaborated in accordance with the conclusions of the presidium, will be included in the 5-year plan. The meeting was attended by Vice-Premier Zbigniew Szalajda and the heads of the ministries concerned.

9970/12951
CSO: 2600/18

POLISH-USSR CHEMICAL INDUSTRY AGREEMENTS

Warsaw RZECZPOSPOLITA in Polish 12 Sep 85 p 2

[Text] In late August and early September talks were held in Warsaw between representatives of the Polish and Soviet chemical industries.

Between ten and twenty draft agreements were approved. They provide for considerably increased cooperation in trade and industrial development. These agreements will help better to solve problems of producers goods and raw materials.

A new agreement provides for deliveries of carbon tetrachloride from Poland to the USSR in exchange for deliveries of freon in aerosol containers, and essential product used in refrigeration. Another agreement provides for deliveries to the USSR of artificial substance recycling plants based on Polish-invented technology, and Polish machines and equipment.

Agreements for the joint construction of new plants to produce important chemicals are especially significant. Thus, for example, a Polish-designed poly-formaldehyde plant will be built at the Nitrogen Factory in Tarnow; polyformaldehyde is an important substance used in construccion.

Of great importance for our country is an agreement on the participation of Polish construction enterprises in the construction of a large plant for the manufacture of artificial substances in the USSR, in exchange for deliveries over a period of several years of low-pressure polyethylene and polybutane [?]

All of these agreements provide for increased technical cooperation exchange of specialists and joint solutions to investment problems.

A new and attractive undertaking will be the construction in Poland of an agricultural chemical plant. This will make it possible to finish construction of a plant which was interrupted, and will ensure the development of the enterprise by providing a large market in the Soviet Union, as well as raw materials for the enterprise from the so Soviet Union.

Another joint project will be the completion of a plant to process artificial materials, which will enable us to make better use of our production potential.

All these projects are scheduled to be carried out from 1986 to 1990.

9970/12951
CSO: 2600/18

TRADE DEALS AT MINING, METALLURGY FAIR

Warsaw RZECZPOSPOLITA in Polish 5 Sep 85 p 4

[Article by Marian Twarog]

[Text] Two basic questions were put to the organizers of the first Silesian International Mining, Energy and Metallurgy Fair, "Simmex-85": is such a specialized undertaking necessary, and if so, was it necessary to put it in Katowice, a city with no tradition of trade fairs? Now, at the end of Simmex, after 5 days of the fair, the answer to both questions is yes.

"Simmex has been very successful," said Vice-premier Professor Zbigniew Messner after visiting the fair. "It is an excellent addition to the International Fair at Poznan, while at the same time not competing with it. I also think it is positive that in Katowice many people directly involved in mining, energy and the steel industry can come to the fair."

Before the beginning of the fair there were no plans to sign any major contracts, since those are concluded, especially in the area of capital goods, only after lengthy negotiations and careful study. Simmex was intended as a promotional fair, and the contacts established in Katowice will pay dividends in the future. And that is essentially how it went, although from the very first day many trade talks took place, e.g. regarding the export of Polish open-pit mining equipment to the USSR, or cooperation in producing and exporting rescue and safety equipment with the FRG firm Dragewerk.

The first important import contract was signed between an Austrian firm and the Polimex-Cekop Foreign Trade Office for a municipal waste processing plant for Katowice. It will not only process half the city's garbage, but will make it possible to recycle metal and glass. The contract, worth 2.5 million dollars, was concluded with the hard currecy assistance of the mines.

One of the few foreign trade offices to sign important contracts during the fair was the Kopex enterprise for constructing mining installations abroad. That office concluded inter alia an agreement with the Zenica firm of Yugoslavia worth 30,000 dolars for design services for coal enriching plants; with Westfalia-Lunen firm of West Germany for the import of coal planers and scraper conveyor belts worth 4 million marks; and with other western companies for the delivery to Poland of pumps to Poland for 340,000 marks and

416,000 kroner; of an electric arc furnace housing for almost one a half million DM; sealants form the Jade company of France, etc.

A poll was taken among both foreign and Polish participants in the fair, and the overwhelming majority expressed satisfaction with their visit to the fair and interest in similar fairs in the future. Only a few criticized the relatively meager exhibit for energy, open-pit mining and metal founding.

"Many foreign companies best known for producing equipment for metallurgy made offers to the mining industry, which somewhat dominated this fair," said Andrzej Ruszkarski, vice minister for the metal and machine industries. "I think that the next fair will be more balanced."

Indeed, among the hundred-odd enormous pieced of mining equipment (mechanical miners, heading machines, conveyors and mechanized mine excavators) foreign-produced, Polish-produced and jointly produced by Polish and foreign firms, which were exhibited at the fair, among the whole range of mine safety equipment, exhibits for the other two areas were somewhat lost, especially if they consisted only of diagrams and models. However, visitors did not fail to notice a small, 42-kilogram device: a hoisting winch on cable from Austria, hailed as the "hit" of the fair, which can transport trees, pipes, rails, etc. weighing up to a ton over a distance of 150 meters, and if necessary can serve as a line cableway or a hoist.

"Simmex is a very important exhibition," said Nikolai Myzychenko, a representative of the USSR Chamber of Commerce and Industry in Warsaw. "We have already made Soviet export offers at the Poznan fair. We are here at Simmex simply to see what is happening. But our representatives will certainly take part in the next fair at Katowice."

When the next Simmex fair will take place, for now no one doubts that there should be a next one, 50 of the 55 companies asked expressed a desire to come again. All indications are that that will be two years from now. That, at least, is the opinion of the majotiry of those concerned.

9970/12951
CSO: 2600/18

SERIOUS SHORTAGE OF CEMENT SUPPLY

Warsaw ZYCIE GOSPODARCZE in Polish No 35, 1 Sep 85 pp 14-15

[Article by K.F. entitled "Less Cement"]

[Text] All indications are that we are threatened with a severe shortage of cement. We already know now that the cement industry will not produce the 17.3 million tons provided for in the plan. This is due to the dramatic situation during the first quarter of this year, when because of a lack of fuel cement plants produced 1.5 tons less of that construction material than called for by the Plan. Thus production this year will not be greater than 15.7 million tons. As Director Karol Wider, head of the cement producer's association, explained at a press conference at the Ministry of Construction [MBiPMB], there is virtually no change of making good the losses of winter, since the productive capacity of cement plants working constantly is severely limited by technical capabilities.

To illustrate the ups and downs of the fuel situation in the cement industry, as of 1 January 1984 cement plant storage facilities had about 140,000 tons of coal, while at the beginning of this year the supply was down to 30,000 tons (in all operating cement plants). Daily average deliveries of coal barely amount to 6,000-6,500 tons, while daily consumption is 12,000 tons. Many plants have barely escaped being closed. Moreover, it is worth recalling that a significant portion of installations in modern cement plants fuelled by crude oil are not and have not been operating. The losses are high, since four large plants using that fuel (Kujawy, Nowiny II, Malogoszcz and Warta II) together have a production potential on the other of 4.5 million tons per annum. Unfortunately, imported crude oil (as well as domestic production) are extremely limited.

A serious problem for the cement industry, which was felt with double severity last winter, is its excessive energy consumption. It is still dominated by the wet production technique, characterized by a high level of heat energy consumption. Only 40 percent of total production comes from plants using the dry method, which is twice as energy-efficient (in the GDR 80 percent, and in Czechoslovakia 70 percent of the cement plants use the dry method). To be sure, during the fateful first quarter fuel was allocated first of all to the most efficient producers, but even so it was not possible to avoid the slump.

According to recently adopted guidelines, the cement industry is to receive 3.5 million tons of coal this year (of which 250,000 tons will probably be received after summing up the fuel situation for the first three quarters). But none of this means that more than the above mentioned 15.7 million tons will be produced, of which after fulfilling export commitments, including those to the USSR, the domestic market will get 14.4 million tons, i.e. 1.6 million tons less than last year. Given this situation, it has been decided to allot orders of cement to government and to public housing construction. Other consumers, especially private ones, will have to cope with a serious shortage of cement. This allocation policy is reflected in the statistics for the first 7 months of this year. Only 57 percent of the annual plan for cement deliveries to housing construction project was fulfilled, while other consumers got only 47 percent of the amount of cement called for by the 1985 Central Plan. During this period 606,000 tons of cement and clinker were exported, including 240,000 tons to the Soviet Union.

It is predicted that the overall export plan will be overfulfilled by about 200,000 tons (1.4 million tons are expected to be produced, while the Central Plan calls for 1.2 million tons), however, cancellation of exports is out of the question because that is the only source of hard currency necessary to buy spare parts for machinery. Increased exports to the Soviet Union are the result of a compensatory agreement: in exchange for cement the Soviets will supply the Polish housing industry with bathtubs, water-heaters, steel for reinforced concrete, facing and other finishing materials.

The shortage of cement, as was affirmed at the Ministry, is of a temporary nature. Nevertheless, it will doubtless complicate the situation for individual construction and individual investments in the countryside.

9970/12951
CSO: 2600/18

FACTORS IMPEDING COAL PRODUCTION

Warsaw RZECZPOSPOLITA in Polish 11 Sep 85 p 2

[Text] Making the maximum effort, miners were able to deliver 128.5 million tons of coal by the end of August. There thus remain 63 million tons of that fuel to be mined by the end of the year to satisfy domestic needs, which are estimated at 191.5 million tons.

This can be done, though it will be under difficult economic conditions. Miners point to the lack of transport equipment. There is also a shortage of certain kinds of machines and tools, such as supports, mechanized mine excavators, overhead cableways, and mechanical cutters; which in turn is due to a shortage of steel products. These matters were discussed at a meeting of mining enterprise directors which took place on 10 September in Katowice.

The discussion also dealt with uninvested reserves of the mining industry, the use of which would make possible, or at least facilitate, the accomplishment of these tasks by the end of the year. The meeting was presided over by the Minister of Mining and Energy, Gen. Div. Czeslaw Piotrowski.

9970/12951
CSO: 2600/18

BRIEFS

STARGARD-GDANSK RAIL ELECTRIFICATION--Work has begun on the electrification of the mainline from Stargard to Gdansk. It is scheduled to be completed in 1989. This will improve the movement of freight and passengers on the coastal railroad. Electrification is also being done to protect the environment. [Text] [Warsaw RZECZPOSPOLITA in Polish 6 Sep 85 p 5] 9970

POLISH-LIBYAN TRADE TALKS--On 11 September Vice Premier Janusz Obodowski received the Secretary of the People's Committee of the People's Bureau of the Libyan Arab People's Socialist Jamahiriya in Warsaw, S.A. el Areibi. The present state of Polish-Libyan economic cooperation and trade was discussed, with special emphasis on the upcoming 7th session of the joint committee. Special attention was given to the need to increase Polish exports to Libya, and also the need to speed up financial settlements in accordance with earlier agreements. [Text] [Warsaw TRYBUNA LUDU in Polish 12 Sep 85 p 2] 9970

12951
CSO: 2600/18

NEW SOURCES OF RAW MATERIAL FOR AIRCRAFT PLYWOOD

Bucharest INDUSTRIA LEMNULUI in Romanian No 3, Aug 85 pp 137-141

[Article by Rodica Sfaca and D. Marinescu, Research and Design Institute for the Wood Industry]

[Text] This article is a brief presentation of the introduction of aircraft plywood, of its raw materials throughout the world, and of the manner in which this matter has been handled in our country.

Considering the domestic resources of raw materials, tests were conducted with woods (alder) which could be substituted for birch, the traditional raw material of imported aircraft plywood. The physical and mechanical characteristics of either alder or birch experimental aircraft plywoods, meet the technical specifications required for this type of plywood throughout the world, the alder plywood offering definite advantages because the raw material is obtained from logs of different sizes and of very high quality.

General Considerations

The worldwide production of aircraft plywood has undergone a general constant growth, being determined by the immediate needs of a field which changes significantly from one period to another.

The production of aircraft plywood is associated both with countries that have a well developed aircraft industry, and with specific time periods. In England for instance, the production of aircraft plywood was of major importance during World War II, and dropped noticeably beginning in the 1960's.

The basic wood used in England and North America to produce aircraft plywood has generally been birch. Yellow birch (Betula lutea) yields a valuable veneer, whose sole disadvantage is the presence of small areas of twisted fiber, which must be removed. The density and strength of western white birch is lower than that of yellow birch, but its fibers are straight; the presence of small knots prevents the production of large areas of veneer from this wood. Silver maple (Acer sacharium) has been used in the absence of birch, and especially of yellow birch.

Table 1. Physical and mechanical characteristics of birch aircraft plywood

Nr. crt.	Caracteristici	U/M	(A) Valori obținute pe loturi					
			(B) Placaj de 0.8 mm			Placaj de 1,0 mm		
			min.	med.	max.	min.	med.	max.
1	Densitatea aparentă la umiditatea de 12%	kg/m³	846	852	892	638	670	725
2	Masa pe metru pătrat	kg/m²	0,757	0,799	0,840	0,803	0,847	0,876
3	Umiditatea	%	5,5	5,6	5,9	5.0	5,2	5,5
4	Rezistența la forfecare	N/mm²	23	27	30	19	24	27
5	Rezistența la tracțiune paralel cu fibrele	N/mm²	75	95	112	89	97	112
	perpendicular pe fibre	N/mm²	48	63	76	42	54	74
6	Raza minimă de curbare							
	— longitudinal	mm	23	32	50	38	65	75
	— transversal	mm	15	16	20	12	17	20

(1) Apparent density at 12 percent humidity
(2) Weight per square meter
(3) Humidity
(4) Shear strength
(5) Tensile strength
    Parallel to the fibers
    Perpendicular to the fibers
(6) Minimum radius of curvature
    Longitudinal
    Transversal
(A) Lot values
(B) Plywood with a thickness of ...

In America, several species of mahogany have been used for their high strength, uniform texture, and dimensional stability. In Germany and other central European countries, aircraft plywood has been fabricated from European birch (Betula alba) and beech (Fagus silvatica). During the war, Canada and North Americaa also used large quantities of aircraft plywood obtained from spruce.

The USSR is one of the countries in which aircraft plywood is currently manufactured on a large scale using birch.

The production of plywood for aircraft, ship, model, and other construction was considered in Romania as early as 1952, with the establishment of the general standard STAS S 28-52, "Special RA and RF Spruce Plywood"; however, this type of plywood found little application at that time since it was possible to import the aircraft plywood needed by various sectors of the economy.

In recent years, ICPIL (Research and Design Institute for the Wood Industry) has conducted research aimed at developing a technology for manufacturing various types of fireproof aircraft plywood in Romania, primarily for our aircraft industry, using the available raw materials and the technical resources available in the sector.

Table 2. Physical and mechanical characteristics of birch aircraft plywood

Nr. crt.	Caracteristici	U.M.	(A) Valori obținute pe loturi					
			(B) Placaj de 1.5 mm gr.			Placaj de 2.0 mm gr.		
			min.	med.	max.	min.	med.	max.
1	Densitatea aparentă la umiditatea de 12%	kg/m^3	576	594	611	564	585	600
2	Masa pe metrul pătrat	kg/m^2	1,01	1.04	1,09	1,16	1,18	1,20
3	Umiditatea	%	3,3	4.8	6,6	3,7	4,2	6,6
4	Rezistența încleierii la forfecare în :							
	– stare uscată	N/mm$_2$	1,2	1,9	2.3	1,12	1,49	1.57
	– stare umedă	N/mm$_2$	1,7	1,8	2.0	0,77	1,33	2,07
5	Rezistența la forfecare	N/mm$_2$	15,0	17,0	18,0	13,0	19,0	22,0
6	Rezistența la tracțiune							
	– paralel cu fibrele	N/mm$_2$	88,0	92,0	106,0	70,0	77,0	83,0
	– perpendicular pe fibre	N/mm$_2$	84,0	95,0	101,0	63,0	71,0	85,0
7	Raza minimă de curbare							
	– longitudinal	mm	75,0	96,0	125	68.0	81.0	125
	– transversal	mm	25	29,0	38,0	37,0	38,0	50,0

(1) Apparent density at 12 percent humidity
(2) Weight per square meter
(3) Humidity
(4) Adhesive shear strength
    Wet condition
    Dry condition
(5) Shear strength
(6) Tensile strength
    Parallel to the fibers
    Perpendicular to the fibers
(7) Minimum radius of curvature
    Longitudinal
    Transversal
(A) Lot values
(B) Plywood with a thickness of ...

New Sources of Raw Materials. Technical Aspects

The research and experiments were intended to eliminate the importation of aircraft plywood, and to supply the national economy with the necessary plywood from microproduction (500x500 mm sheets) and industrial production (1200x1200 mm sheets). Given the existing domestic resources and the quality of some native woods (especially birch), the experiments also covered other kinds of wood such as spruce, alder, and poplar, which can be expected to replace birch as the traditional, imported source of raw material for aircraft plywood.

The ICPIL pilot line has formulated a technology for fabricating aircraft plywood in 500x500 mm sheets with thicknesses of 0.8, 1.0, 1.5, and 2.0 mm, using technical veneers of birch, alder, and poplar.

Table 3. Physical and mechanical characteristics of alder aircraft plywood

Nr. crt.	Caracteristici	U. M.	(A) Valori obtinute pe loturi					
			Placaj de 0,8 mm grosime			(B) Placaj de 1,0 mm grosime		
			min.	med.	max.	min.	med.	max
1	Densitatea aparentă la umiditatea de 12%	kg/m_3	584	602	615	590	611	679
2	Masa pe metru pătrat	kg/m_2	0,630	0,643	0,650	0,800	0,858	0,961
3	Umiditatea	%	6,0	10,0	14,0	11,0	11,0	13,0
4	Rezistența la forfecare:							
	– paralel cu fibrele	N/mm_2	10,4	16,3	20,0	19,6	22,9	28,7
	– perpendicular pe fibre	N/mm_2	19,5	19,9	20,4	20,7	23,2	29,6
5	Rezistența la tracțiune:							
	– paralel cu fibrele	N/mm_2	51,0	54,0	67,0	52,0	60,0	68,0
	– perpendicular pe fibre	N/mm_2	29,0	31,0	39,0	29,0	34,0	37,0
6	Raza minimă de curbare							
	– longitudinal	mm	63	70	75	63	76	100
	– transversal	mm	20	23	30	15	12	20

(1) Apparent density at 12 percent humidity
(2) Weight per square meter
(3) Humidity
(4) Shear strength
    Parallel to the fibers
    Perpendicular to the fibers
(5) Tensile strength
    Parallel to the fibers
    Perpendicular to the fibers
(6) Minimum radius of curvature
    Longitudinal
    Transversal
(A) Lot values
(B) Plywood with a thickness of ...

Aircraft plywood must meet the N. A. 21.560 technical specifications for fire resistance, imposed for interior construction and appointments in aircraft.

Birch and alder veneers shaped and dried to 4-5 percent humidity, were subjected to a fireproofing process.

The impregnation consists of placing the veneers into a metal container in which they are separated from each other by wire screens, and of plunging them into two baths as follows:

a) Hot Bath

Solution temperature at dipping: 70-80 degrees C;
Veneers maintained in the solution at this temperature for 30 minutes;

Table 4. Physical and mechanical characteristics of alder aircraft plywood

Caracteristici	U. M.	(A) Valori obţinute pe loturi					
		Lot placaj de 5 mm			(B) Lot placaj de 2,0 mm		
		min.	med.	max.	min.	med.	max.
1 Densitatea aparentă la umidit. de 12%	kg/m$_3$	615	621	633	623	698	774
2 Masa pe metru pătrat	kg/m$_2$	—	1,01	—	1,5	1,7	1,8
3 Umiditatea	%	—	9,0	—	–	9,0	—
4 Rezistenţa încleierii la forfecare :							
— în stare uscată	N/mm^2	—	2,0	—	1,3	1,9	2,4
— în stare umedă	N/mm^2	1,6	1,7	1,8	–	1,7	–
5 Rezistenţa la forfecare							
— perpendicular pe fibre	N/mm^2	13,8	14,5	15,0	13,8	14,0	14,4
— paralel cu fibrele	N/mm^2	14,2	17,0	19,5	14,4	15,0	17,4
6 Rezistenţa la tracţiune :							
— paralel cu fibrele	N/mm^2	36,4	49,0	50,9	80,0	88,0	99,6
— perpendicular pe fibre	N/mm^2	38,0	45,0	47,7	29,4	35,0	40,9
7 Raza minimă de curbare							
— longitudinal	mm	125	130	150	—	125	
— transversal	mm	65	67	75	50	55	65

(1) Apparent density at 12 percent humidity
(2) Weight per square meter (3) Humidity
(4) Adhesive shear strengtn Wet condition
Dry condition
(5) Shear strength Parallel to the fibers
Perpendicular to the fibers
(6) Tensile strength Parallel to the fibers
Perpendicular to the fibers
(7) Minimum radius of curvature Longitudinal
Transversal
(A) Lot values (B) Plywood with a thickness of ...

Table 5. Physical and mechanical characteristics of birch and alder aircraft plywood

Caracteristici	U. M.	(A) Valori medii obținute							
		Placaj de 0,8 mm		Placaj de 1,0 mm		(B) Placaj de 1,5 mm		Placaj 2,0 mm	
		mesteacăn (C)	anin (D)	mesteacăn (C)	anin (D)	mesteacăn (C)	anin (D)	mesteacăn (C)	anin (D)
1 Densitate aparentă la U = 12 %	kg/m³	852	602	·670	611	594	621	585	698
2 Masa pe metru pătrat	kg/m²	0,799	0,643	0,847	0,858	1,040	1,040	1,180	1,700
3 Umiditatea	%	5,6	10,0	5,2	11,0	4,8	9,0	5,2	9,0
4 Rezistența încleierii la forfecare :									
- în stare uscată	N/mm²	—	—	—	—	1,90	2,00	1,49	1,90
- în stare umedă	N/mm²	—	—	—	—	1,80	1,70	1,33	1,70
5 Rezistența la forfecare paralel cu fibrele	N/mm²	27,0	16,3	24,0	22,9	17,0	17,0	19,0	15,0
6 Rezistența la tracțiune :									
paralel cu fibrele	N/mm²	93	54	97	60	92	49	77	88
perpendicular pe fibre	N/mm³	63	31	54	34	95	45	71	35
7 Raza minimă de curbare :									
- longitudinal	mm	32	70	65	75	96	130	81	125
- transversal	mm	16	23	17	18	29	67	38	55

(1) Apparent density at 12 percent humidity
(2) Weight per square meter
(3) Humidity
(4) Adhesive shear strength
    Wet condition
    Dry condition
(5) Shear strength parallel to the fibers
(6) Tensile strength
    Parallel to the fibers
    Perpendicular to the fibers
(7) Minimum radius of curvature
    Longitudinal
    Transversal
(A) Lot values
(B) Plywood with a thickness of ...
(C) Birch
(D) Alder

b) Cold Bath

Solution temperature 30-40 degrees C;
Duration of immersion: 30 minutes.

The composition of the aqueous impregnation solution (concentrations) is:

10 percent ammonium phosphate
10 percent ammonium sulfate
3.3 percent sodium fluoride

The consumption of fireproofing material is 85 kg/cubic-meter of plywood, as follows:

41.0 kg/cubic-meter ammonium sulfate
41.0 kg/cubic-meter ammonium phosphate
3.0 kg/cubic-meter sodium fluoride

Following immersion in the cold bath, the containers are removed from the tank and suspended above it for about 30 min to drain the excess solution. The impregnated veneer is aired for 2 hours, after which it is dried to 12 percent humidity for tegofilm gluing. After drying, the veneers are sorted and combined to fabricate the sheets needed for ply-stacking.

Depending on the thickness of the plywood and the available plys, the following assemblies were used:

a. For a thickness of 0.8 mm, three 0.3 mm plys: 0.3, 0.3, 0.3;
b. For a thickness of 1.0 mm, three 0.4 mm plys: 0.4, 0.4, 0.4;
c. For a thickness of 1.5 mm, three 0.6 mm or two 0.3 mm and one 1.1 mm plys: [illegible], 0.6, 0.6; or 0.3, 1.1, and 0.3;
d. [illegible] a thickness of 2.0 mm, three 0.7 mm plys: 0.7, 0.7, 0.7.

The plys were generally alternated 90 degrees to each other.

The ply stacks were glued together with a phenolic film (tegofilm), with a weight of about 60 g/sq meter.

They were pressed at 25 kgf/sq-cm and a temperature of 145 degrees C, for a basic duration of 5 min plus 1 minute for each 1 mm of plywood thickness.

A somewhat higher pressure is necessary to slightly densify the plywood sheets for greater elasticity and strength.

Tests disclosed the following problems associated with the fabrication of thin plywood:

For very thin veneers of 0.3 and 0.4 mm, both centered and eccentric cutting are recommended, the latter producing uniform veneer thicknesses;

Due to small log diameters, many strips were obtained during cutting, which were suitably combined using fusible filaments, but which required additional manpower;

Excessive handling leads to a deterioration of thin veneers, with obvious increases in specific consumption;

After pressing, particular attention must be devoted to conditioning, the plywood requiring tight stacking under weights, with slow cooling.

Physical and Mechanical Characteristics of Aircraft Plywood

Birch and alder aircraft plywood produced both by the ICPIL pilot line and industrially in thicknesses of 0.8, 1.0, 1.5, and 2.0 mm, was laboratory tested to determine its physical and mechanical characteristics; the tests were performed for the user (ICA Ghimbav Brasov) on the basis of French AIR 9350-3, 5, 7, 8, 14, 15, 16, 17, 18 standards.

The following characteristics were determined:

Apparent density at 12 percent humidity;
Weight per square meter;
Humidity;
Shear strength;
Adhesive shear strength (in wet and dry condition), only for 1.5 and 2.0 mm-thick plywood;
Tensile strength parallel and perpendicular to the fibers;
Minimum radius of curvature longitudinally and transversally.

The results of the tests are shown in tables 1 and 2 for birch aircraft plywood, and in tables 3 and 4 for alder aircraft plywood.

To establish the differences between birch aircraft plywood (which is currently used in aircraft construction), and thin alder plywood (which tends to be used as a substitute for the traditional material), comparative physical and mechanical tests were performed, whose results are given in table 5.

The data leads to the following findings:

The physical and mechanical characteristics of experimental aircraft plywood, both birch and alder, satisfy the technical requirements for this type of plywood throughout the world;

Comparative tests of thin birch and alder plywood show that no significant differences exist from this standpoint, with the alder plywood meeting the user's requirements equally as well as the birch plywood.

Conclusions

Tests carried out at ICPIL to fabricate thin plywood (0.8, 1.0, 1.5, and 2.0 mm) have demonstrated the feasibility of industrial production of this type of plywood for our aircraft industry and for modeling, making it possible to stop its importation and manufacture it with domestic resources.

Experiments with alder aircraft plywood have shown that this wood can satisfactorily replace the birch traditionally used in this field, with distinct advantages in wood quality and log dimensions.

This research has opened the possibility of using new sources of raw materials in the aircraft plywood and modeling industry, which will complement and replace existing ones, with all the consequent economic advantages.

REFERENCES

1. D. Marinescu and Rodica Sfaca, Birch Aircraft Plywood, Memo, ICPIL, Bucharest, 1984.
2. Andrew Dick Wood, "Plywoods of the World," Edinburgh and London, 1963.
3. Franz Kollmann, "Furnire," Lagenholzer und Tischerplatten, Springer, Verlag.
4. N. A. 21560, "Interior Construction and Appointments in Aircraft Cabins. Technical Conditions for Fire Behavior."
5. AIR 9530, "Receiving Standards for Plywood Panels in the Aircraft Industry."

11,023
CSO: 2700/12

MILITARY

POLAND

COMPULSORY MILITARY SERVICE REGULATIONS REVIEWED

Warsaw ZOLNIERZ POLSKI in Polish No 40, 6 Oct 85 p 21

[Unattributed Article: "Being a Soldier..."]

[Text] Defense of the Motherland is a constitutional obligation of every citizen. This comprehensive duty entails the obligation to serve in the armed forces, which includes:

--serving a tour of basic service by draftees (detailed below);

--taking military training and instruction by college students and graduates;

--participating in exercises and taking annual military training by reservists;

--being in active service in the event mobilization is declared and in time of war by draftees and reservists;

Within the framework of compulsory military service, draftees can also be assigned to alternative service and basic service in civil defense.

Military Service of College Students and Graduates

This form of service involves participation in military classes in the course of study and taking military training outside the framework of college study or after graduation.

Military classes are a required subject included in the curriculum.

Military training can be long-term (up to 12 months) and involves participation in classes of the SPR [Reserve Officer Cadet Training School] and practical training in a military unit.

Short-term military training (up to 3 months) involves specialized practical training in military units.

Annual Training of Reservists

Compulsory military service by reservists involves, among other things, participation in annual training. The latter as a rule takes place in military units.

A reservist can be called up for day (up to 24 hours), short-term (2 to 30 days) and long-term (31 to 90 days) annual training.

The combined time for which a reservist can be called up for annual training over his entire service in reserves cannot exceed:

--for personnel with ensign and officer ranks - 24 months;

--for personnel with non-commissioned officer rank and privates - 12 months.

Periodic Military Service

Non-commissioned officers, ensigns and reserve officers are called up for periodic military service.

The combined duration of such service cannot exceed 24 months over the time an individual remains in reserve.

Alternative Service by Draftees

Alternative service by draftees involves work in the units of socialized health care, social welfare, environmental protection and other public service institutions. At the time of service the draftees take civil defense training.

Alternative service by draftees lasts 24 months. The draftees can be confined to post.

Individuals in this service are not soldiers; however, upon completion of the service they are transferred to reserves and are not called up for basic service. Draftees are assigned to the alternative service exclusively at their request.

Basic Service and Training of Draftees in Civil Defense

Basic service in civil defense involves fulfilling civil defense assignments and lasts 24 months. During the service, the draftees are granted the title of brigade member.

Civil defense training of draftees involves attendance of training sessions organized in civil defense units after business hours for 3 years and training at a camp for 30 days. The combined duration of draftee training in civil defense units cannot exceed 60 days a year, including 20 statutory days-off.

Responsibilities and Rights of Draftees

Before becoming a soldier, every young man is a registrant and a draftee, which entails certain responsibilities for him.

A registrant (a male who turns 18 years old in a given calandar year) is obliged to report for registration combined with a medical examination at a specified location and time. Registration is aimed at a preliminary selection of registrants on the basis of their physical condition, professional skills and other qualifications for military service.

A draftee (a male who turns 19 years old in a given calendar year) is obliged to report for the draft. This requirement applies until the end of the calendar year in which the draftee turns 24 years old (or 28 years old in case he could not be drafted sooner).

Individuals eligible for the draft must report to the regional draft board with jurisdiction over their permanent or temporary place of residence. They must produce for the board their ID card and a document specifying their education, profession, specialty within the profession, defense or military training received, vocational training as well as medical documents regarding their health in their possession.

It should also be recalled that, beginning with the day registration for those turning 18 years old in a given year is declared, males are obliged to comply with the military notification requirement. The latter involves notifying local organs of state administration at the basic level or relevant military organs of changes in place of residence, first or last name, education and profession. Also, males are responsible for securing authorization from military organs for a temporary stay abroad.

To the Army March! March...

Basic military service is the most comprehensive form of complying with the obligation of military service. Draftees fit to serve on the basis of their health aged from 19 to 24 years are called up for service (in case the induction could not occur at that time, it can occur until the end of the calendar year in which a male turns 28 years old). Also, a male having turned 17 years of age can volunteer for basic military service.

Ministers of the Interior and Defense institute the draft into the basic service whereas governors (mayors of cities with the status of a province) carry it out in cooperation with the chiefs of provincial military headquarters and gmina, city and district commissioners through provincial and district draft boards. These boards determine the fitness of a draftee for service as well as its eventual deferment.

Basic military service lasts 24 months, and in seaborne units - 36 months. In certain cases, when it is necessary for safeguarding state security, the Council of Ministers can extend the duration of basic military service by no more than 12 months. Soldiers in basic service are in indefinite active service if mobilization is declared, in time of war or introduction of the state of marital law.

Draftees inducted into basic military service are assigned to [large] military units and subsequently to individual subunits and given posts and positions. In the initial period of service, the draftees take basic training at the end of which they take the military oath.

Through the remainder of basic service, the enlisted men are trained in military occupations pertinent to the posts and positions assigned to them.

Enlisted men are given the rank of private at the time they report for basic military service. During their tour of duty, they can be promoted to higher military ranks (including that of senior corporal). Promotions are predicated on, among other things, satisfactory results in training, discipline and conscientious attitude to one's obligations as well as the appropriate morale and political attitude.

During their tour of duty, enlisted men can be transferred to other military units in the line of duty (or at their own request if the good of the service so allows).

Enlisted men in basic service are entitled to annual leaves, leaves due to special conditions of service, leaves for honorary blood donors, leaves for exemplary service, leaves on health and compassionate grounds.

Enlisted men in basic service can apply for certification as skilled workers or foremen in specific professions provided they have complied with the requirements for such certification.

Upon completion of basic military service, enlisted men are transferred to reserves.

Note: Readers interested in this topic should refer to the detailed articles entitled "Before They Walk into the Barracks" published in ZOLNIERZ POLSKI Nos. 15 and 16 in April 1985.

9761/12790
CSO: 2600/93

POLITICS CZECHOSLOVAKIA

PROSPECTS FOR HUMAN RIGHTS EVALUATED

Muted Opposition

Vienna PROFIL in German 28 Oct 85 pp 62-63

[Article by Hermann Dworczak: "Svejk Is Alive"]

[Text] While its neighboring countries have started to move, in the CSSR the somberness which began in 1968 continues--brightened only occasionally by cunning on the part of the man-in-the-street.

Two border crossings--two typical situations in "normalized" Czechoslovakia. Ceske Velenice. The train to Prague has just passed the Iron Curtain. An elderly man addresses me in German. "There are many people in your country who don't appreciate freedom," he says casually. Though retired for some time, he has not come up with more than 900 korunas a month--including cost-of-living increases--in the past couple of years. (Officially the average income in the CSSR is stated to be 2,900 korunas a month.) So, despite his advanced age, he is forced to earn additional money by working at home.

The scene changes to Bratislava. At the Petrzalka border crossing, there is a kennel right next to the customs building. Whoever is finished with his passport formalities is generally confronted with the yelping of the vicious curs. In 1968--in the Prague Spring--Czechoslovakia embarked on stripping off the Stalinist straitjacket, taking the first steps toward "socialism with a human face." At Petrzalka in 1985 one immediately gets to know its animal grimace.

Leaving the Main Railway Station in Prague, I feel at first as if I had arrived in Linz; the bad air almost takes my breath away. From Hradcany castle I later see the huge bell of smog resting on the city. Right off, the Zizkov, the national memorial for Husite leader Jan Zizka, is only barely visible because of the yellowish sulphur veil.

Protection of the environment is leading a particularly frugal existence in the CSSR. An "Analysis of the Ecological Situation in Czechoslovakia"--commissioned by the government--is being kept under lock and key to this day in Czechoslovakia. Supporters of the civil rights movement "Charter 77" managed to get hold of the document, however, and saw to it that it was published--in the West. Concerning the environmental protection budget, it states: "In the USSR expenditures on all environmental protection amount to 2.7 percent of the national income, in Sweden to 0.8 percent, in the United States to 1.5 percent, in the FRG to 2 percent of the gross national product. Even though these data are not quite comparable from the methodological point of view it is indisputably ominous that in this country such expenditures in the sixth five-year plan (1976-1980) amount to only 0.3 percent of utilized national income and to 0.85 percent of total investments."

The Czechoslovak-Hungarian Hainburg is called Gabcikovo-Nagymaros. For the joint power plant planned there, the Austrian construction firm Universale has just managed to obtain a 400-million-schilling contract. In a publication of Hungarian environmentalists published in mid-September with a foreward by Charter 77, fears are expressed that the construction of the power plant may have negative effects on the CSSR drinking-water supply.

The somber situation of the environment has its parallel in the poor cultural state of affairs. In 1963 the Austrian reform communist Ernst Fischer demanded at the legendary Kafka conference in Liblice, which was to mark the beginning of the Prague Spring, that the East issue a "permanent visa" to the author previously ostracized in the East. Asked today how Franz Kafka is faring in the CSSR, Frantisek Kautman, who participated in the Liblice conference says: "In 1983 and 1984 some pieces by him were printed, and a collection of stories was published in a small edition. There is no research. Actually Kafka is in exile again."

A salesman in the bookstore where I bought the books with the materials of the Liblice conference in 1967 provides the proof saying: "You can't find anything by Kafka here; he is taboo in this country."

A letter by Charter 77 to the Budapest Forum of the Conference on Security and Cooperation in Europe (CSCE) also signed by Nobel Prize laureate Jaroslav Seifert, states: "With the year 1968 there began in Czechoslovakia a long era of the destruction of all significant values of a sovereign national culture, which in various ways recalls the 1950's, and in some respects even worse things."

A young film maker speaks of the "sterility of the official cultural activity," saying that "only on the fringes is there a spark here and there." Thus the "Concerto Grosso" of mime Boris Rybner is traded as a confidential tip.

After 8 pm no pedestrians can be found in hardly any streets of Prague. Only every now and then a small bunch of young people gather on the Charles Bridge to make music. "Only here, because of the strangers," says one of them, "is there a chance that we will not be driven away right away by the police."

The taverns are chock full, on the other hand, with beer flowing freely. Author Jan Pelc says about the situation of young people in northern Bohemia: "There are no places where one could meet. Everywhere one encounters the regime, its extended arm. And so one goes to the only place whose doors are still open--the tavern."

Next to drinking, a weekend trip to the chata (cottage) is one of the most widespread possibilities of escaping the oppressive reality. One-quarter of the 450,000 Prague households have such a second residence, trying to get away there from the Kremlin brother and his local deputy.

The press has the vivacity of a mortuary. Even party boss Gustav Husak found the boredom too much. He made the statement: "Everything is quite all right with the newspapers, only they are often not readable."

Western television is generally in. In Plzen police built a joint antenna to get better reception of the FRG channels. On weekends one sees long lines in front of the newsstands in Bratislava. People fight for a copy of the KPOe [Austrian Communist Party] VOLKSSTIMME--because of its TV supplement.

After the setbacks of 1981 and 1982 the current economic situation of the CSSR is classified as "relatively favorable" (SUEDDEUTSCHE ZEITUNG). The following are considered pluses: The strong increase in agricultural production, the positive balance of trade since 1980 and the small indebtedness to the West. The last is estimated to be 1 or 2 billion dollars--contrasting with a total of 75 billion dollars for all CEMA countries.

In 1968 the Kremlin brutally foiled the attempt to join socialism and democracy. Following that, the bureaucracy brutally proceeded to cement its endangered position again. Half a million party members were purged, and another several hundred thousand lost their jobs. Corruption is in full bloom,* whether in getting an apartment, in hospital treatment or in the case of the numerous "rubber stamps" needed for a trip abroad.

The reaction of the population: Apathy, internal emigration and a Svejk attitude. On the "Lennon wall" in the Prague District of Kleinseite, one can see the attitude of resignation expressed as follows: "Vy mate Lenina --nechte nam Lennona" (you have Lenin, leave us Lennon). A former journalist, now a concierge in a hotel, says: "Colleagues speak quite openly about the machinations of those in power. Of course one belongs to the party and does one's duty on 1 May. But no one believes the swindle of those at the top."

Whoever is engaged in opposition activity is under surveillance, suffers from chicanery or is put in prison. "Bugs" are the rule in apartments of the Charter signatories. When the current Charter spokeswoman Petruska Sustrova moved to another apartment, the new tenants during remodeling found a monitoring device "made in England" and gave it to Sustrova as a "souvenir." It did not take long for the police to appear at her place and ask that she return their "tool." The Catholic priest Vaclav Maly in September was interrogated and abducted into a wood by the State Security Service. Lenka Mareckova, a 22-year-old civil servant, was tried twice after personal intervention by the justice minister and in the second trial was sentenced to unconditional imprisonment for several months for having composed a poem "Death of a Dictator" (about Leonid Brezhnev).

---

*As the London TIMES reports, Czechoslovak Finance Minister Leopold Ler was placed under house arrest because he was involved in a huge scandal concerning the smuggling of foreign currency, jewelry, Western consumers' goods and perhaps also drugs.

Despite the repression the regime has not managed to silence the opposition. The Charter will soon be entering the 9th year of its existence. Its ranks accommodate various philosophical and political trends. Whereas Ladislav Hejdanek, for example, is betting primarily on positive effects of a possible Moscow course of reform (see interview below), Trotskyite Petr Uhl eyes the "fall of the bureaucracy" through mass resistance. He says: "It is a question of struggle here and of the international synchronization of the independent movements in East Europe. That creates the prerequisites for being able to intervene in an explosive situation."

The Catholic movement critical of the regime is on the upswing. After the big Method celebration in Velehrad in July, recently more than 30,000 pilgrims gathered at Sastin, a place of pilgrimage in western Slovakia--most of them young people. The most popular slogan shouted in unison was "We want the pope."

While holding the reins of power, the regime has no access to the hearts of the people. Though an economic reform is overdue, there is no threat of an "economic collapse like that in Poland in the late seventies." The opposition is present but far from being able to endanger the bureaucracy. High hopes continue to be played down. Another inscription on the Lennon wall reads: "To dream is our only freedom."

Interview With Human Rights Advocate

Vienna PROFIL in German 28 Oct 85 p 65

[Interview with Ladislav Hejdanek, member of the human rights movement Charter 77 and its spokesman from 1977 to 1980, by Hermann Dworczak--in a park (to prevent its being monitored): "'Gorbachev Too Is Censured Here'"]

[Text] PROFIL: The economic situation in Czechoslovakia does not seem to be all that bad.

Hejdanek: Yes, it looks that way on the surface. But economists say that actually things are much worse. Many data have merely been invented, and the government has no accurate overview. There are, for instance, seven different kinds of korunas as accounting units, which makes it utterly impossible to fathom the situation.

PROFIL: Politically it is an ice age.

Hejdanek: Since the great shock of 1968 there has been a general lack of perspective. Most people concentrate on purely personal questions. In this situation the Charter began to demonstrate that a no is also possible. Compared with the Polish solidarnosc, our activity may look "juiceless." But in light of the fact that there is no great pressure from below, it borders on a miracle that it exists at all.

PROFIL: Is there only latent discontent?

Hejdanek: In certain situations criticism also manifests itself openly. Particularly whenever a lot of people meet--for example, on a train or on a bus. Then quite unambiguous remarks are made.

PROFIL: There is the classic Svejk, and Brecht's Svejk in World War II; how does today's Svejk act?

Hejdanek: For example, he undermines measures from above, so that it looks after only 2 or 3 weeks as if these measures had never existed. In a factory a hundred people regularly show up late, but some fellow workers work the time clock for them. Management finds out about it and sets up a special check at the gate. For a couple of weeks perhaps, the loafing stops. Then suddenly other "difficulties" crop up somewhere else in the factory. The checkers are transferred there, and the old cycle starts over.

PROFIL: The Charter has published a document about the cultural situation in Czechoslovakia.

Hejdanek: It is no exaggeration to say that the cultural situation is a disaster. In the physical sciences too we are a number of years behind. The state of the humanities and social sciences is particularly serious. There the lecturing is done almost exclusively by opportunists who do not believe themselves what they concoct. Unless there is a change soon, the damage will be beyond repair for as long as two generations.

PROFIL: The Charter also took a stand on environmental questions.

Hejdanek: Not directly. We help those who get involved in ecological questions. The same, incidentally, is true of the peace movement. If one deals critically with environmental problems, one can easily be treated as a psychiatric case. The authorities will check his personal situation and make trouble for him at work. In other words, they will try to destroy him.

PROFIL: What are the causes of the increased Catholic resistance?

Hejdanek: To keep things short, I would like to talk only about Bohemia. After World War I quite a few Catholics turned against the republic and later even flirted with Hitler's Munich agreement. After World War II Catholics were under unbelievable pressure, being the group that was treated worst. Events in Poland have given them self-assurance. The state priests organization "Pacem in terris" is not being taken seriously by anybody; it exists purely on paper.

PROFIL: Occasionally one hears the term "underground church."

Hejdanek: I think this term is inappropriate. The church is not regulated and cannot be regulated. There is no long-range program, however. Today it is rather a question of survival; in the future the basis for something bigger may emerge.

PROFIL: Is the regime firmly in the saddle?

Hejdanek: Definitely not. Without the support of the Soviet authorities it would be gone in a few weeks. The situation in this country is as artificial as can be. Those in power need not be concerned with any kind of public opinion. Even Gorbachev's attacks against corruption were censured by them. A line of reform at the Kremlin could become a danger for the regime in this country. Our hope is that it will perish when the course of reform is imitated.

PROFIL: How long can the current situation of the freeze of social contradictions last?

Hejdanek: That is primarily an economic question, a question of how long it is possible to corrupt the population by artificially maintaining the standard of living. No one knows our debts in the East, and one cannot foresee how long the Kremlin will be prepared to bear the burdens of the satellite countries. Without external changes--in other words, reforms in the Soviet Union --the current situation may last another 10 or 15 years or even longer.

8790/12955
CSO: 2300/66

PARTY EFFICACY, DISCIPLINE SEEN WANTING

Budapest PARTELET in Hungarian No 8/9, 1985 pp 82-86

[Article by Jozsef Szetei, deputy director, Directorate of Instruction, Csongrad Megye: "Political Efficacy of the Work of Party Organizations"]

[Text] With full knowledge of the decision of the Congress many primary party organization leaders are raising the question: how might it be possible to direct the work of the party organization more successfully, more effectively, than heretofore? According to my observations the election of officials is the time when big decisions are made, new solutions are introduced, and indeed the machinery of leadership begins to function more smoothly. After a time however the old difficulties appear anew, often in even more heightened form. I see the cause of this quinquenially-repeated phenomenon in the fact that the "starting over" is not sufficiently established, not thought through deeply enough. Old and new leaders alike are satisfied--often compelled to be satisfied--with introducing more or less practical "innovations," which prove effective temporarily, with luck even in the longer run. Since, however, these concern only the surface, for the most part only the methods, of the work of the leaders, the older problems necessarily come to the fore. Every indication points to the fact that those pillars on which the work of the leaders rests are not sufficiently solid, that theoretical uncertainty is particularly conspicuous.

These days everyone accepts--at least I think they do--the evidence that the effectiveness of the work of an organization is in decisive measure influenced by the level of leadership. Most significantly, this is demonstrated by the examples of economic organizations, where the interconnection between effectiveness and the efficacy of the leadership is most directly recognizable. And if we examine thoroughly the many, many components of effective economic leadership, we may find there the experience of the leaders, a modern leadership viewpoint, as well as the knowledge of the leaders, the theoretical grounding of the leaders' work, etc. Why would this be otherwise in the party organizations?

Within the framework of a single article it is naturally not possible to set forth in detail the "theoretical foundations" of the leader's work, but by offering some viewpoints perhaps we may reinforce a kind of attitude that would be desirable in the leadership of the party organizations in our day.

* * *

One such viewpoint is that every primary party organization leader should increasingly realize in the deepest way possible that he does his work as a leader in a particular area, in the field of political life; he is himself a political leader. This characteristic feature of the operational area, that is to say, must be felt in the attitude, content, methods, means, the whole style of activity of the leader. More concretely this means that the whole leadership concept, work, and behavior of office holders working in the party should be guided by the fact that the political area is the terrain of the meeting, clash, compromising of interests. In particular, it is a question of the kind of interests that must be examined as a function of the interests of social strata and classes, indeed of the whole society. It is not by accident that it is usually said that politics is the art, indeed we may also add, the science, of compromising interests, when antagonistic conflicts of interest, class antagonisms have disappeared among such relations. It follows from this that the political leader must approach the problems that come up primarily from the perspective of interests. With regard to the fact that the party organization functions as a very complex social and economic agent, in the thousand-stranded system of human relations, this of course is not simple. Since in the everyday course of things very many problems come to light, he must first of all decide whether it is necessary to deal with a given matter at all, or not. That is, does it affect the various interests to such an extent that the political nature of this question can be felt out? He must know at the same time that certain issues only very rarely manifest themselves by clearly indicating their political essence, just as so-called clearly "professional" problems are also relatively rare.

It is necessary to emphasize this, because it may be observed that in practice the party organizations take charge of every problem "indiscriminately," even the kind whose resolution is politically, legally, dependably regulated and guaranteed by a statutory provision based on a political decision of more general validity, or by an economic regulator. I repeat, politically --therefore taking into consideration the various interests. I think that if this condition is given, then we have already discovered one set of the kind of problems with which the party organizations and the political leadership must deal only when a deviation from a political decision of more general validity presents itself. Why must the leaderships of the primary party organizations, during the course of the exercise of their opinion-giving sphere of authority, become involved in deciding various personal matters in an apolitical way at a time when that is the well-regulated sphere of authority of the state or economic leader, instead of keeping an eye on the political tendencies of personnel work, and influencing it in a direction that accords with the principles of cadre policy? Or why do they take a hand in the resolution of individual wage questions instead of dealing more efficaciously with the enforcement under the given circumstances of the principles of the socialist wage system? Partly, I believe, because we start from that otherwise not objectionable notion that the party's political competence extends to every question. But the individual personnel matter, the individual wage question, is not yet a political matter. On the other hand, those reflexes are operating according to which "the party must know about everything," "it must have its say heard in every matter that qualifies as more important," and paralleling this there is a misconstrued, overextensive assumption of responsibility, as well. It is not difficult to see that among present-day relations not even a single party organization is capable of political involvement so conceived, but there is not in fact any need for this.

A tendency in contradiction with this is also observable in political practice. There is the kind of political leader who "consciously chooses," classifying individual problems into a political or professional category, and referring the latter to the sphere of authority of the professional leaders. It is true that in a given period or among the relations of a system of interconnection many matters have no political character or a negligible one; or it is precisely the professional--economic, technical legal, administrative--relationships that conceal the political essence, seeming to offer the rationality of choice. All at once it must be observed, however, that problems adjudged "professional" have turned into very difficult political affairs. In a plant, for example, the organization of the work is a professional--engineer's, technicians, foreman's--task, not a political matter, but if shortcomings assume such proportions that the normal course of work is impeded, it becomes a political problem.

The mechanical division of problems into questions of a political and a professional character--besides the fact that it is erroneous, for among given social relations every problem may of necessity have political ramifications--dulls that necessary political sensitivity, by which, if we possess it, we can recognize the development of the political elements of each matter of concern. It is not proper therefore to categorize questions in this way out of some kind of "clever foresight," because in the meantime their political weight may increase to such an extent that their resolution exceeds our capabilities. Nor is it to be regretted if every now and then so-called clearly professional questions come to the table at a political forum; at the most we should point out that the political significance of the matter is negligible and we should put it aside.

A further issue is the discovery of the political significance, gravity, extent of the given problem. This, that is to say, determines the import of dealing with it, the amount of energy to be devoted to it. Political sensitivity and experience have a large role in the recognition of this, but we also possess objective bases as well, in particular, those decisions, determinations, expressing the interests of the whole society, in which the strategy of political activity appears. For this very reason, when the political leader goes to work on resolving the questions that arise, when he examines how and to what extent he must handle them, how they should be classified, then, alongside a thorough investigation of local interest relations, he should also carry out a kind of "retrospective accounting" as well, he should try to establish in what way the given problem directly concerns him, or through what kind of transmissions it is connected to the social accomplishments that have been achieved, and should do the same thing in advance as well, comparing it as well to the most fundamental social goals and efforts. The more direct the connection of the given problem to fundamental interests already implemented, as well as those that can be implemented, and that also appears in a political form, the greater its political gravity, the more prominent place it occupies in the rank order of tasks to be performed.

This fundamental position must determine the political leader's place, role, relation to processes moving turbulently in his functional area, and the content of his entire activity. This way of thinking makes his work more purposeful, dependably circumscribes the bounds of his competence, lessens superfluous parallelisms, protects him from politically "idling in neutral" and from wasting his energies as leader.

* * *

In the foregoing I emphasized the special quality, the political character, of party leadership; now I emphasize that the general rules of leadership are also valid. The role of general regulator is filled by the principles of socialist leadership, which do not offer a complete guarantee of successful work as a leader, but whose operationalization increases the security of leadership and may raise its level, its efficacy.

The socialist principles of leadership follow from the essence of socialism itself; practice validates their correctness. These are for the most part well-known rules; the literature of socialist leadership, various textbooks and studies individually or in some kind of arrangement, discuss these in whole or in part. Namely: the requirement in socialist leadership of unanimity of leadership, priority of politics, democratic centralism, collective leadership and personal responsibility, objectivity and concreteness, apprehension of the decisive link, party-mindedness of leadership, combining the social and the state principle, harmony of material and moral incentives, etc.

In my opinion, to the extent these principles appear recognized when thus enumerated, to that extent they are not to be found in the general consciousness of leaders, and still less do they have an impact in the practice of leaders. Leaders--even some political leaders--conceive of the starting of the work of leader or the increasing of its efficacy in such a way that they ascribe the preeminent role in it to methods, and therefore according to them they must become adept at the technique of leadership, they must learn the practical tricks of the trade, and thereby they have already done the most important thing.

I am not underrating the significance of leadership technique! What may be learned as a utilizable method by close observation of others, must be learned. But who disputes that there are at least two sources of acquiring familiarity, even as regards the work of a leader, namely, theory and practice together!

What may the reason be for the chasm between what is done at party forums and continuous everyday political work? Membership meetings and leadership sessions in general accord with the formal regulations, they designate the responsible parties in the decisions. It is also observable, on the other hand, that the decisions of the bodies are not suitably carried out; the secretary takes over certain tasks of those competent (responsible parties);

secretary takes over certain tasks of those competent (responsible parties); what is more, it also happens that he has to shoulder even the decision-making in certain operative questions. This is nothing else than the much-condemned, undesirable, "secretary centeredness." Besides the fact that this phenomenon also has objective causes, subjectively what is at issue is that the activity of the secretary--leader--is not suitably imbued with the principle of collective leadership and individual responsibility. Therefore the asynchrony of leadership principles and methods has a role in the coming into being of the chasm between what is done at forums and continuous political work.

* * *

In economic practice it is now completely accepted, that it is possible to measure and rate the activity of an organization and the efficacy of leadership by results, by output. This is especially unambiguous when output is measurable in an exact way. In political work it is as if this concept has still not made suitably effective; at least there is a certain shilly-shallying in this regard.

Given the character of political work, it is never measurable in the same way as productive work, but why would this call into question the general rule that here too the measure of work is output?

In the management of the organization--for that matter, simultaneously--the leader is oriented, then rated, by several things, inter alia, by certain processes and events, by the fact that his work is with human relations, that he must have regard for human organizational relationships, and so on. But the chief viewpoint is after all that the organization entrusted to him should fulfill its task at the highest possible level. It appears to me that in the work of the party organizations, as well as in the judgment of them, this latter viewpoint is for some reason not adequately felt, at the very least it is not sufficiently emphatic in practice. That is, the work and leadership of the party organizations is not sufficiently output-centered.

Probably the reason for this is the special quality of political work, the difficulty of measuring it, but certainly the inexactness of the measure also. This means that the measure must be altered, because it is not at all certain that the political effectiveness of the party organizations may be measured by how many programs they have organized, whether these have corresponded to certain stipulations, or how great the "activity" was in there.

In the interest of effectiveness, what qualifies as a result in the work of the party organizations must be defined with the greatest possible exactitude. The starting point may be that the political organization must produce a political result. In the case of the party organization this may be construed to mean the extent to which it is capable of implementing in its own operational area the policy of the party, how capable it is of putting into force the leading role of the party. Formulated more simply, but more precisely: with what efficacy it solves political problems that are ripe for solution; how effective its above-indicated interest-compromising, interest-enforcing activity is. That is to say, approaching it another way: every positive change, which has come about during the course of political activity, positive change, which has come about during the course of political activity, may be regarded as a result. When ascertaining effectiveness, the chief question is: what has changed? In a given question, by how much has the comprehension of the party membership become more unified, by how much has its readiness for action become stronger? To what extent has the political influence of the party organization grown, how many people has it succeeded in winning over to some cause or goal? As opposed to that concept existing even in present-day practice, which would be called event-centered instead of result-centered. Doubtless, political events, social programs, actions, all indicate movement; in themselves they carry the possibility of change. The fact that "we have discussed," "we have decided," may not yet be regarded as the end, the result, of political work, but at most only as its means.

Naturally, the measurement of the result even in this way will not be simple, because all that the party organization does is given import by its integration into the results of the economic, institutional, residential environment. But it is not indeed slow and leisurely measurement that is the essence here, but the increasing consciousness of results as the main orienter of leadership, the recognition and practical predominance of the fact that everything that the party organization and its leadership does is to be evaluated from the standpoint of its political efficacy.

If we think this way, the real goals will reveal themselves to us, activity and result will be comparable, success will become tangible and its political experience more pervasive, we may recognize worthless make-work more confidently, and perhaps we may successfully take up the fight against the two banes of political work, formalism and bureaucracy.

8971/9435
CSO: 2500/63

POLITICS

POLAND

ELECTION PROCEDURES CLARIFIED

Vote Count, Results Described

Warsaw ZYCIE WARSZAWY in Polish 8 Oct 85 pp 1, 3

[Text] How and by whom will the results of the elections be counted; when will they be known? Answers to these questions, among others, posed by the journalist of PAP, were given by Barbara Enholc-Narzynska, Deputy Chairman of the State Electoral Commission, the director of the Bible Society in Warsaw.

[Question] Who will calculate the electoral results?

[Answer] First of all you have to distinguish between calculating the electoral results and the voting results. The process of calculating the voting results is conducted on two levels. First the members of the district electoral commissions count the votes cast in the respective districts, then the data from the districts are summed up by the members of the regional electoral commissions, at which point the stage of calculating the voting results ends. The official records from the regional commission are turned over to the State Electoral Commission, which then calculates the electoral results.

[Question] You say "the members of the commission," but who are these people?

[Answer] The members of the commission were chosen from among the electorate: they represent a broad political and socio-professional cross-section of the electorate. Over 188,000 people comprise the regional electorate commission. For the most part they are white-collar workers from various professions, especially teachers, agricultural personnel, and social workers in the administration of justice. The portion of workers ranges from 5 to 20 percent, of farmers, from 6 to 28 percent. In the commissions involved, there are also many representatives of different social groups--tradesmen, retired officers, and pensioners.

Among the section of socio-political members concerned are representatives of the PZPR and all political parties; the non-party proportion ranges from 22 to 40 percent. In the work of district electorate commissions participate many Catholic activists and those of other Christian creeds. Some of the members of the commission have already participated in electoral work in the course of previous campaigns. Now their experience will be extraordinarily useful. The situation is similar in the case of regional and state electoral commissions. All together over 200,000 people will be involved in the process of calculating the election results.

[Question] How does the process of calculating the voting results look from a technical viewpoint?

[Answer] That's a rather complicated business. The calculation and officially recorded assignation of the voting results in the district starts immediately after the voting ends. All commission members take part in this work. First of all they count the number of people with the right to vote in the district on the basis of the register of the electorate, taking into consideration the people added to the register on the basis of testimonials. Next the commission, according to the procedure, keeps safe the voting cards that have not been used. Next in order is the opening of the ballot-box. The cards taken out of it constitute the sole basis for calculating the results of the voting.

[Question] Will these be the cards to be used both for voting for the Diet members from the regional as well as the state electorate register...

[Answer] Yes, they'll differ in color. The voting results for each of the registers will be calculated separately. First the commission calculates the voting results for the Diet members chosen from the regional electorate register. All the cards are counted precisely, thus specifying the number of people who turned in their voter's cards. The next step is to determine the number of votes cast in favor of specific candidates. The calculation is carried out on a special sheet. First the number of valid cards without crossings-out, thus without votes, is noted down on the tabulation sheet next to the surnames of the candidates located under position 1 of each of the seats. From the group of cards with crossings-out are separated those which are completely crossed out or those on which all the candidates' names have been crossed out. These are set aside, for though these votes are valid, they do not count for any of the candidates. Now the commission examines the valid cards that remain, counting the votes cast in favor of specific candidates who are contending for each of the seats. Each vote is recorded next to the candidate's surname on the tabulation sheet. If in the category of a seat one candidate has been crossed out, then the vote goes to the other candidate. Crossing out both candidates to a given seat results in not having the vote go to either one of them. Votes cast for each of the candidates, which are counted both from the cards with and without crossings-out, are then counted up and the number of them is recorded on the tabulation sheet next to each name.

The calculation of voting results in the district for seats chosen from the state electoral register is carried out similarly. The number of all the cards taken from the ballot-box, the number of invalid and valid cards, with crossings-out and without, are determined in an identical manner. In analyzing the valid voter cards containing the crossings-out, the commission in turn counts the votes in favor of those candidates whose surnames have not been crossed out. Next, as in dealing with the regional registers, the official record is drawn up.

[Question] And what is the role of the regional electoral commission?

[Answer] The members of the regional electoral commission check the official information received from each district. Specifically it controls whether the candidates' names are written in in the same way and order in which they are indicated on the voter cards. The commission members also check to see whether there are not written in more cast votes than the number authorized to vote and whether the total of valid and invalid votes equals the number of votes cast. Furthermore, in the official voting records for the regional electoral register, they check whether the total of votes received by both candidates for each of the seats is not greater than the number of valid votes. As it receives the official records from the individual districts, the commission notes down their receipt in the control list and then makes the appropriate entires in the tabulation sheets. After receiving all the official records from the districts, it totals the number of votes cast for individual candidates on the regional level.

[Question] In what way are official election records transferred?

[Answer] The presiding officers of the district electoral commission or their deputies send in sealed envelopes the official records officially approved by the representative of the regional electoral commission. The official record of the election prepared by the regional electoral commission is sent to the presiding officer or the deputy of the presiding officer of those commissions authorized by the representative of the State Electoral Commission. To ensure safe means of transportation for the transfer of electoral documents is one of the duties of the administrative organs.

[Question] In describing the process of tabulating the results of the election in the district you did not mention the marks placed by the commission members next to the names of the electorate when they are handed their voter card.

[Answer] That's right, for the marks don't have any connection with the tabulation of voting results. They are made so as to make it impossible for someone to vote more than once.

[Question] So we come to the last stage of tabulating the results, which takes place at the level of the State Electoral Commission.

[Answer] On the basis of the official records received from the districts, the State Electoral Commission tabulates the results of Sejm elections in specific districts from electoral registers as well as the state register. This is not just a mechanical tabulation. From the district register one can only consider elected those candidates who have received more than half the votes, and if in the voting have participated at least half of those authorized to do so in the electoral district. From the state register one can consider elected only those candidates who have received more than half the valid votes and if in the voting have participated at least half of all those authorized to vote. The State Electoral Commission draws up the official record obtaining the results of elections to the Sejm. At all these procedures can be present and can formulate comments delegates of the All-Poland Electoral Convention.

Immediately after the end of the procedures the All-Poland Convention must inform the public about the results of the elections in the form of a public announcement in the press, on radio, and on television.

[Question] When will this be?

[Answer] Right now it's hard to specify how long it will take to finish the tabulation and make the results of the election known to the public. The State Electoral Commission will also have to take into consideration the results of the voting in the district established abroad and on Polish ships. The official records from abroad may be delayed, especially from Polish posts. Last year the results of the elections to the national councils were known after two days. It's hard to say whether our commissions will manage to tabulate the results that quickly. Anyway, hurrying is completely unadvisable here. What's most important isn't time, but honesty.

Validity of Votes Described

Warsaw RZECZPOSPOLITA in Polish 8 Oct 85 pp 1, 2

[Text] In voting for candidates from the regional electoral register the voter casts his vote for the number of candidates that must be chosen in a given electoral region according to the distribution of seats indicated on the voter card. The names of the candidates beside each set for which the voter casts his vote are not crossed out. The voter may (though he does not have to) cross out the other names. If on his voter card the voter leaves the names of both candidates to a single seat without crossing them out, then he is considered to have cast his vote in favor of the candidate listed first.

In voting for candidates from the state electoral register, on the other hand, the voter casts his vote in favor of those candidates whose name he does not cross out on the voter card. Votes are invalid if cast on voter cards other than those officially established or on cards not affixed with the seal of the proper electoral commission; or on cards completely torn into two or more pieces. If on the voter card other names are added or other notations are made, that has no legal consequences and does not influence the validity of the vote. A vote cast on a voter card which is completely crossed out is valid, but does not count for any of the candidates listed on it.

When a Candidate for Diet Membership Wins a Seat

Candidates for Diet membership are considered elected when they have received more than half the votes (50 percent plus one vote) and if in the voting have participated at least half of those authorized to vote in the electoral region. From the state electoral register those candidates are analogously recognized as elected to Diet membership who have received more than half the valid votes (50 percent plus one vote) and in the voting have participated (taking the state as an electoral region) at least half of those authorized to do so.

Recall Procedure Noted

Warsaw RZECZPOSPOLITA in Polish 9 Oct 85 pp 1, 2

[Text] The electoral law to the PRL Sejm gives the electorate voters such a possibility. The electorate, in accordance with its regulations, may recall a Diet member if he (a) violates through his behavior the deputy's position (b) shirks fulfilling a deputy's duties and (c) betrays the electorate's trust in some other way.

The proposal to recall a deputy elected from the regional electoral register may be made by (a) the electorate of the electoral region in which the deputy was elected (b) the provincial authorities of the political or social organization which advanced his candidacy to Diet membership (c) State Council PRON. The proposal to recall a deputy should indicate the accusations brought against him as well as their grounds. For such a proposal to be valid, it must be supported by at least 10 percent of the voters from an electoral region authorized to vote on election day.

That is why both the proposal to recall a deputy, as well as making support of the proposal by the electorate possible, demand that this take place at meetings of a political or social organization, at meetings of urban and village administrations, meetings of working plants personnel. Each such meeting must be officially recorded, and in the official record the number of voters attending must be stated, as must also be the number of voters supporting the proposal.

The Sejm, after considering the proposal, may pass the resolution about the application of the electorate to recall the deputy. As soon as such a resolution is passed, the deputational activity of the deputy whom the proposal concerns is suspended.

The State Council administers voting in the matter of recalling a deputy. This takes place in the area of the electoral region in which the deputy was elected, on a day that is a legal holiday, within 3 months of the resolution passed by the Sejm.

Voting in the case of recalling a deputy, on the basis of the regulations of the Electoral law to the Sejm of the PRL, takes place once. The deputy is recalled if the majority of the electorate participating in the voting are in favor of the recall. The Sejm confirms the validity of the deputy's recall, and thus the validity of the election results.

(a) The electorate from any electoral region and (b) the State Council PRON can present to the Sejm the proposal to recall the elected deputy from the state electoral register.

The proposal of an electorate from any electoral region, before it is presented to the Sejm, must have an opinion passed on it by the State Council PRON. That means that in order for it to be considered positively by the Sejm, it has to be accepted by the State Council PRON.

The procedure for setting in motion a proposal to recall a deputy chosen from the state electoral register by the electorate of any electoral region is the same as that which operates for recalling a deputy elected from the regional electoral register. The Sejm, after considering the proposal, may pass a resolution in the matter of recalling a deputy, specifying the procedures for recalling him.

Socio-Political Breakdown of Candidates

Warsaw RZECPOSPOLITA In Polish 9 Oct 85 pp 1, 2

[Text] Final registers of candidates who on 13 October will be running for seats in the Diet are announced for public information. There are 870 candidates, of which 820 are on the regional, and 50 on the state electoral registers. Those appointed from a group of close to 2000 members were citizens registered to electoral conventions by political parties, PRON, and public organizations.

Who are the candidates? First of all one must stress that among them are found representatives of all social classes and groups. Over two-thirds are workers and peasants, and thus the representatives of the dominant social class in or country. Their participation in parliamentary matters attests to the class-structured nature of the country, its concerns that the Sejm be the closest possible to the interests of the working people, worker and peasant opinions, views, and aspirations. Experience teaches that it is precisely the deputies--the workers and the peasantry, who work directly in production, who maintain steady contact with co-workers, with the business personnel, and are inspired by these connections to parliamentary work--who are in a position to present their opinion most effectively. They are the ones to influence the harmony between the Sejm's decisions and the public's expectations.

Among the candidates, professional unions are broadly represented. Sixty-eight activists from the professional movement are candidates. There are also work people among them who will represent on the Sejm forum a larger group of unionists, thus those people who directly concern themselves with the conditions of life and work of the workers. Among the candidates are representatives of trades. There are also activists from workers' administration, farming and social administration, and thus from all organizations and institutions that represent the sphere of work.

The number of young candidates for deputy posts is also significant. There are over 100 of them. This emphatically evidences the fact that young people's affairs at the ninth Sejm will have in office their own direct representatives and spokesmen. One hundred and thirty two non-party candidates, however, are clear proof that the next Sejm will be representative, that it will serve the further development of national understanding.

As the experiences of past tenure in the Sejm showed, a group of specialists from various milieus ought to be included in its make-up: people who know how to handle themselves competently in the sphere of complicated legislative or economic problems. Among the candidates are many distinguished scientists, lawyers, economists, and engineers who are in a position to cope with the difficult problem facing parliament.

It is important that 88 former deputies are also candidates in the elections. That is merely 20 percent of the make-up of parliament, probably the smallest percentage of postwar elections. The new election has as its goal the bringing of their experience, their familiarity with the functioning of parliament, to the work of the Sejm. They will also, which is more vital, guarantee the continuation of the manner of operation and style of parliament's eighth term of office.

The social make-up of the candidates for deputies fully reflects the social structure of our country. Accordingly, represented among them are the most important classes and social strata, of which the nucleus are the workers and the peasants. This provides a good guarantee that the Sejm elected on 13 October will fulfill its governmental function and the hopes the public has invested in it.

12584/13167
CSO: 2600/70

POLITICS POLAND

OSMANCZYK RECALLS SEJM CAREER, URGES TOLERATION OF OPPOSITION

Wroclaw ODRA in Polish No 9, Sep 85 pp 15-20

[Interview with Edward J. Osmanczyk by Jerzy Szperkowicz]

[Text] At the outset, I must explain to the readers of ODRA the reason why I am one of the oldest deputies in our parliament, the oldest among the non-party deputies, and the deputy from the Oder region since those gloomy stalinist days of 1951. I began my duties in Szczecin, and have been a member of parliament from my native Opole since 1957, with a break from 1961 to 1969 when I was in Latin America. In fact in 1951, following a stint as a correspondent in West Berlin, Germany where the Allied Press had its headquarters, I moved to Szczecin. At that time threats of seizing Szczecin away from Poland were being repeated. Never since Potsdam did I believe in any possibility of a change in the Oder-Neisse border. I had views similar to those of Jozef Kokot in today's already classic "Potsdam Logic." All the same, I believe that as a native from the Oder region I should give testimony to this belief by settling in Szczecin.

A few months later I was traveling from Szczecin to Warsaw on purely personal business. I settled down in my sleeping compartment, the train was to leave momentarily. Suddenly, I heard a knock. Two men in uniform requested that I dress and follow them. In those days this was not unusual. In dressing I put on two shirts and two pairs of trousers. A car was waiting in front of the station. When we passed, without stopping, the Prussian edifice very familiar to all Szczecin residents, I was very surprised but said nothing. We arrived at the Provincial Committee headquarters and I was led into the office of the first secretary, who at that time was a respectable activist from the socialist circle. My escort informed him: "We have brought him." The secretary became perturbed and sent them out immediately, he then began appologizing profusely and noted that he found himself in an unusual predicament. He was to offer me a position as a deputy and did not know now to do it after such an unpleasant incident. I responded that notwithstanding the incident my answer would have been an emphatic "no". He then suggested a walk, unfolding his arms and pointing to the walls. In the park he used the argument that deputies to the People's Council in Poland from the Union of Poles in Germany connected with the PPS [Polish Socialist Party] or the Peasant Party, had been excluded from running for the Sejm. The youngest member of the union, Araka Bozek, was seriously ill. If I as a non-party person did not agree to run, then people from "Rodlo" would not have a representative in the Sejm, and "Very hard times have arrived." People from "Rodlo" will continue to be accused of nationalistic tendencies, and who will defend them? This convinced me. In this manner I became a deputy from Szczecin, and in 1957 my native Opole began to lay claim to me. Since that time, I am in the third decade of using the title deputy from Opole, and I believe that I will continue to represent it. I feel obligated to represent my native region in the Sejm, representing the people from "Rodlo" who have experienced very dramatic changes in fate after the war. I also believe that I have a right to represent these citizens' thoughts, which I also express in my journalistic activity beginning with "Polish Affairs."

[Question] Did you ever and especially during your first term regret that you listened to the unofficial argument of that official in Szczecin?

[Answer] Never. In fact quite the contrary. I believe that the proper advice was given by the elder activist to me the younger one, despite the basically different points of view. We certainly agreed upon one thing, and that was that we had to survive the bad times. Even while I was in Berlin I had been aware that my region has also been affected by this, and was advised not to return. Many of those who later escaped predicted that a cactus would grow on their palms were the author of "Polish Affairs" to return to Poland. I knew that my closest friend from the war years, Arka Bozek, was seriously ill, having been greatly tormented, suspected and humiliated, and had lost the will to live. I was aware of the tragedy which our area was then greatly suffering through, specifically the arrest of Janina Klopocka, the author of the "Rodlo". From December 1949 to December 1951 we did not know what happened to her, no news nor any trace. For 2 years she was kept in the underground area of Koszykowa and interrogated at night to force her to confess that she had been a courier between the Gestapo and the Home Army headquarters. During the day she was forced to peel potatoes. This heroic woman, one of the fine participants of the opposition movement in occupied Warsaw, enamoured of the delicate strokes of Durer, was an excellent artist. When she was taken for another two years to Mokotow, her hands were no longer in any condition to draw, etch in copper or wood as before. That which she could have created in the Polish People's Republic would never be. After many years, she finally lived to see a working exhibit in Warsaw from 1 July to 15 August 1985 (at the Royal Palace), and exhibited earlier in Krakow, Wroclaw, Opole, and Przemysl. I recall all this not for purposes of vindictiveness (who would one avenge oneself upon?) but rather to make the readers of ODRA, especially the young ones, aware of the times in which I began my non-party service from the Oder region.

[Question] How would you define your philosophy as a deputy?

[Answer] My philosophy is simple. I represent the state, "L'Etat c'est moi!" Every citizen has the right to repeat this where feudalism has ended. I accept the fact that since feudalism no longer exists here and democracy somehow manages to hobble along, it is necessary to utilize the maximum for the development and intensification of democracy which is a well-known instrument, and which our parliament can become. But only under the condition that it will be elected.

The elections impose the selection of deputies not by reason of a reward for some of their achievements but rather in accordance with their usefulness to the Sejm. This is a very basic issue. If political parties know that whoever they put forth will be elected, then the position of deputy becomes a reward and not a responsible civic duty.

Despite the rich Polish parliamentary traditions, both good and bad, of course, I believe that there are more good than bad ones, our parliamentary democracy developed only during periods of upheaval. If we were to accept Sejm reports, we would notice how following each upheaval an interesting parliamentary eloquence flowered. Suddenly, we hear new and sensible things from the forum. On the other hand, when there is stabilization to lesser or greater degree, discussion immediately ceases, individuals become speechless, and arms as before are raised like grain. I am an optimistic realist, pleased even with a bit of progress in big matters, have come to like the candid opinion concerning the electoral law voiced by Kazimiery Barcikowski: "We have again gone one step forward. Of course, this is not that which was customary since 1951, the year 1985 rules out a 99 percent approval rate, since today no one will believe in such a thing, and in addition the current electoral law demands that the winner receive 50 percent plus one vote. Earlier, it was possible to obtain 1 percent of the votes and still become a deputy (in the case of a so-called unmandated seat). In addition, the entirely new approved law concerning deputy obligations and privileges places the crosspiece of obligations so high that it must frighten away many candidates accustomed to treating the position of deputy as a privilege. Finally, in my opinion, yet another even great step among small ones is the intentional or intrusive carrying out of the Sejm elections before the congress of the Communist Party governing our nation. To date, the Sejm had a program which came about from the program adopted at the PZPR Congress, with the majority make up of the Sejm constituted by PZPR deputies, resulting from the composition of the new Central Committee. In this situation, deputies will most certainly be chosen by virtue of their usefulness to the Sejm's functioning, since the results of secret balloting at the congress are unpredictable. Incidentally, I regret that the electoral law did not include my proposal that secret balloting also be obligatory in Sejm elections.

[Question] You speak unwittingly of the election of deputies, while of course thinking about candidate members.

[Answer] I speak of the actual new Sejm members within the real context of 1985. In my opinion, the majority in the new Sejm should represent those generations born in the Polish People's Republic and this is closely related to the specifics of the Oder and Baltic regions. During the elections of 5 years ago, it was forgotten that by 1980 the Polish People's Republic had already existed for 35 years. Those born after the war had already long ago reached the legal voting age. While those born during the war who had not joined the ZMP [Polish Youth Union] were approaching 40. Their representatives found themselves in the Sejm in small numbers, since the majority of the seats fell to the gray-haired elderly youth organizations.

[Question] You also had reservations concerning the territorial composition of the Sejm to date?

[Answer] Yes. I consider the serious defects of previous terms to be the narrowmindedness of the Warsaw headquarters and the inability to notice the great changes taking place primarily in the West from the Vistula to the Oder. The number of deputies born in the northern and western territories was as a rule insignificant. Often it was possible to count us on one hand. At the same time, the majority of the handful was born in these areas before the second and even the first world war. These disproportions, both in age and regional representation are currently creating a very serious problem for all political groups represented in our Sejm. The proportions of the changes are shockingly obvious. Normally, two-thirds of the current deputies run for office for the next term, while one-third are subject to replacement. In this case, at least two-thirds must leave office. We continue to have a unicameral parliament. It future appears to represent an equation with at least two unknowns, namely who will be the deputies in the majority, deprived of the critical experiences of previous terms, as well as in what atmosphere and among what realities will they obtain their training as deputies. In my opinion, the next 4 years will be very difficult years, at the same time deciding our future and specifically the next 100 years. The question has been raised on whether or not we will be able to get through the economically and socially extremely difficult upcoming years without social upheavals. Without new social upheavals, without new internal conflicts, and new international incidents. Let us realize outright that the world has no patience for our misfortunes. Neither the East nor the West. Both have much more important problems. In any case, this reminds me of an old pre-war anecdote. During the Great Depression, a poor man was standing in a New York synagogue beside two very wealthy and dignified orthodox Jews in rich looking fur-lined coats. In accordance with the custom he prayed louder with the ever increasing importance of the prayer. He prayed: "God give me $100 and I will be able to get my wife out of the hospital, pay me debts, and still have some left over for that deal I want to make with Abramowicz, and all my problems will be solved." The two dignified rich men began to look at the wailing man with great impatience. All of a sudden, they exchanged glances and each took out a $50 bill saying "Go away, don't you see that people here are praying about more important matters." Consequently, I am not such an optimist as to believe that the East and the West will give us these $50 bills so that they can occupy themselves with their own problems. On the other hand, I suspect that they will leave us alone so that we can take care of our problems ourselves. They have other issues to resolve besides that of Star Wars. Both are apprehensive about the disparity between the northern and southern hemispheres of the world. Before the end of the century, the proportionate population of the industrialized nations to that of the Third World nations will be 1:4 or even 1:5. At least 4 billion people will be demanding economic, public, cultural, and informational assistance from the industrialized northern hemisphere. The industrialized world, which to date has been involved in world power squabbles and interbloc contests in the world of hunger, poverty and backwardness, in my opinion, is sentenced to undertake rapid cooperative efforts at solving the global problems, specifically the demographic, ecologic, and social ones. In this respect not enough attention will be devoted to the Polish cause and unrelated matters. By the end of the 20th century those unrelated matters will be associated exclusively with the affairs of the Third World. We must realize this. In view of this, the composition of the Sejm will become more important than for just this one term. It is extremely crucial that the Sejm be composed of wise and courageous persons, capable of helping society in surviving these difficult years which we have before us. I consider the use of unmarked ballots for voting as one of Gomulka's greatest sins. At that time, a new tradition for Sejm democracy could have been born, and served as a basis for society in successive times of trial. Today, after 30 years we would be much further along with our parliamentarism. However, we should continue even more to take advantage of the far from perfect parliament since it can be improved. Without basic reforms of the People's Republic, beginning with its major institutions, Poland will decline in Europe to the level of the nations of the Fourth World, that is those which slip back in development.

[Question] In Sejm accounts in the reader's minds were you most certainly labeled as a supporter of the hardening of the Polish zloty and softening of passport access. Why have you given priority to these two matters?

[Answer] Because I do not know of a more successful economic lever for Poland than a monetary improvement and the demythologization of emigration. Speaking in slogans: "A hard zloty and a passport in the desk." The first matter is after all very much related to the second. We constantly fail to evaluate the economic aspects of the country's ties with the emigres. Thoughts about emigration in terms of "Mr Balcer in Brazil," nostalgia, Cepelia dolls, have been experienced in the current revolutionary period of population mobility. Many nationalities have already relinquished the notion of emigration for temporary visits abroad by their citizens. The classic example of emigration is still maintained in the Third World nations, where it represents economic escape from primitive proverty to civilized inadequacy. Modern societies have no pretensions to the fact that someone who has the opportunity to make money in Hong Kong or Pernambuco takes his passport out of a drawer, leaves, and makes his money. Later, he returns and invests the money at home. In turn, those who have settled abroad permanently willingly carry on business with their native country because of the benefits they receive, in comparision with foreigners, such as knowledge of the language, customs, family ties, and friends. In business the most important thing is trust in one's partners and customers. It is always easier to trust one's family and friends rather than total strangers. The Scandinavians and Italians realize this early on. For 40 years now the Yugoslavs have been doing good business in this area, since their system is more similar to that of Poland than Italy.

[Question] We are discussing the changes occurring in the world. What changes would you consider as historically most significant in postwar Poland?

[Answer] I have devoted much space to this matter in my book "The Vistula and Krakow Represent the Rodlo." I intend to sacrifice the rest of my life to it.

Of course, I think about the historic consequences of Poland's return to the Oder-Neisse border. As Pawel Jasienica said to his group of Krakow friends in 1945: "Poland's Jagellonian epoch has drawn to a close, now the concept of Piast Poland has been achieved and it will bestow direction upon our efforts." This perceptive masculine analysis brings much pride to a great writer. If before 1939 Poland gravitated toward Wilno, Lwow, and even further, today Poland east of the Vistula has ceased to play a dominant role in our economy, politics, and demography. The point of contention in all these areas, including culture, has moved to the left bank of the Vistula.

[Question] Krakow was there at all times?

[Answer] Of course. But only with the construction of Nowa Huta was Krakow linked economically with Silesia. Jan Dlugosz's dreams concerning such a union were fulfilled. A strip of special economic activism reaches to Opole, Wroclaw, and even as far as Legnica and Lublin. In the north, a second clamp is constituted by the ports of the Tri-City area, together with our harbor of Szczecin. If one adds to this the tendency of Lodz and Poznan to gravitate in the direction of Zielona Gora and Kostrzyn it will become obvious that the shifting of the economic burden to the west of the Vistula has the character of a geopolitical revolution. I do not only speak of industrial development. The northern and western territories, which constitute approximately one-third of our land, supply one-half of the grain we harvest. Opole Province supplies more grain than the 17 provinces on the bottom of the list. Together with this, the harvesting in Bydgoszcz, Poznan, Kalisz, Sieradz, Kujawy, and Lowicz demonstrates the growth in importance of the lands to the west of the Vistula in feeding the country. Let us now deal with the demographic factor. In addition to the repatriated and reemigrating masses, the most enterprising element from so-called Central Poland was also unloaded in the northern and western territories. A mixture of genes, cultures, and experiences resulted in valuable standards and brought great talent and individuality. Separated from 1951-1985 by reports of obstacles, the capital did not drain the province of its brighest and most ambitious individualistic youth, as generally occurs in the world. Thanks to this, energetic cultural, scientific, and technical centers have been established in Wroclaw, Gdansk, Szczecin, Opole, Gliwice, and Olsztyn. It is no accident that all great social revolutions which have started in Poznan have spread to the west of the Vistula. It will remain the same in the future. In every respect, the lands to the west of the Vistula have become dominant in Poland. Churchill's misgivings that "The Polish goose will choke on the excessively large land recompensation," turned out to be in vain.

Today, the ranking of the western and northern lands in the functioning of the Polish state not only represents an important matter for Poles but also in the international context. In January 1947, Poland had a population of approximately 24 million, the future German Democratic People's Republic had over 20 million. Currently, the population of our country is 38 million, and 16.5 million citizens in East Germany. In central Europe we represent the largest group in terms of population an economics. Before the war, the recovered territories constituted a rear area for the Third Reich's war preparations. Today, this represents a region linked with the Vistula Rodlo in a manner which is decisive in the peaceful development of all of Poland. The role of these areas as stabilizers grows in the European context, and in the present-day world this means as much as the world situation. The 8 million young Poles born in this region equal the population of the area in 1939, and represent a guarantee for peace in this part of Europe. This is obvious.

In addition, together with the Polish population growth near the Oder and the Baltic and Lyna, the Vatican has started to regulate the local episcopates. The first statue of John XXIII, in the world, was erected in Wroclaw for no apparent reason, and this also contributed to the stabilization of Central Europe. In Poland it strengthen the world outlook on pluralism, which in our history has a long-standing tradition, and in the divided world it excludes fanaticism and intolerance.

Jagellonian Poland was composed of many nationalities and was mulitcultural, in other words pluralistic in nature. Piast Poland, in my opinion, is unfortunately poorer in the multicultural aspects of our former co-citizens. Only our long-standing pluralistic tradition, tolerance, and respect for the law, customs, and distinct character of our nationalities can save us from Polish self-satisfaction, presumptuousness, and arrogance. If we can achieve this, by defeating our foolishness, in the first half of the 21st century, we will lead Poland to a new Renaissance, and who knows it may be better than that of the 16th century. I hold every enterprise to this,and half of the victory will belong to the editorial staff of ODRA.

We will hold them to their word.

The Rodlo represents the symbol of Silesian Poles.

12229/13068
CSO: 2600/75

FOLLOW-UP ON INTELLIGENTSIA ROLE IN PZPR, SOCIETY

Warsaw TRYBUNA LUDU in Polish 2 Aug 85 pp 1, 2

[Text] On 1 August there was a meeting of the Resolutions and Proposals Commission established by the 19th Session of the PZPR Central Committee. The chairman of the meeting was Jozef Czyrek, a Politburo member and PZPR secretary.

The commission discussed a project plan to implement the session's resolutions. The work was done in cooperation with state institutions, along with the active engagement of the intelligentsia.

During the discussions among the members of the commission, and in agreement with the 19th session's resolutions, the projects would be implemented entirely in accordance with the 11th, 16th, and 19th sessions. The resolutions recognize the role of the intelligentsia in resolution of problems and the scientific-technical resolution will require the complete engagement of the intelligentsia in order to utilize its creative talents for the future of the country.

Preparation of the resolution from the 19th session is a difficult task because the intelligentsia requires good working conditions and improvement of these conditions is tied to improvement of the economy and increased output for financial improvement.

As discussed at the session, the salary structure should be tied to initiative, talent, and innovation. It also was recommended that future personnel matters be based upon higher education and implementation of political principles.

During the meeting, seven working groups were created among the intelligentsia and the ministries to prepare an implementation plan stressing the various views and needs of the participants. The commission will continue to work with these working groups on development of the plan. The entire program will be presented to the Central Committee at its 22d session dedicated to the issue of national education during the fourth quarter of this year.

The Resolutions and Proposals Commission created at the 19th Session of the Central Committee had its third meeting. As was the case at the previous meetings, the discussion was lively and concerned that no work be wasted from the sessions.

The project was met with different perceptions. Some members of the meeting demanded that a certain number of concrete proposals be specified. This way the implementation of planned activities could be tracked more clearly.

More work will take place on the project. Five teams were engaged in the subjects of science and the economy, higher education, culture and mass information, health organization, state administration, and legal affairs. The purpose is to create a document for implementation that will make the best use of the nation's intellectual potential.

9807/9365
CSO: 2600/1020

IN DEFENSE OF ORTHODOX THEORIES OF SOCIALIST STATE

Warsaw NOWE DROGI in Polish No 7, Jul 85 pp 129-132

[Article by Boguslaw Ponikowski]

[Text] Lenin always emphasized that the issue of the state is one of the most complicated and difficult, and at the same time one of the most tangled by bourgeois ideologists (scientists, politicians, philosophers, etc.). At his lecture delivered at Swierdlow University, Lenin pointed out that state theory reflected "a constant struggle among various classes, a struggle that has reflected or found expression in the struggle of views on the state, its role and meaning. (Footnote 1) (W. Lenin: "About the State" in "Works," Vol 29, Warsaw 1956, p 469) This argument has an important methodological meaning for Marxist analysis of state matters and also on the divergent views on the subject of the socialist state.

There is no doubt that defense and development of Marxist-Leninist theory of the socialist state has taken on an expanded meaning. Unfortunately, our Polish Marxist literature on this subject is very poor. On a considerable scale, it is under the influence of bourgeois national legal ideology.

Experiences gained during the recent crisis have shown us once again the need for theoretical discussions on the issue of the socialist state. The main task of this discussion is to restore to our social sciences Marxist-Leninist theory about the state in general and the dictatorship of the proletariat in particular. This task is very important because the next session of the party will be developing a perspective program on building socialism, an issue upon which the state must clearly elucidate its view.

Within the framework of this discussion, an article by Stanislaw Rainko entitled "About the Peculiarities of the Socialist State" (NOWE DROGI, 1985, No 2) came forward. Two issues were discussed: (1) the role of the socialist in economic life, and (2) the decline of the socialist state.

Many statements by Rainko are controversial, double-meaning, and doubtful. This is partially attributed to the fact that they have been introduced in an abbreviated way. Let us start from the first "peculiarity," which according to Rainko is tied to the responsibility of the socialist state for the economy. The direct result of this is to broaden the structure of the state's apparatus with the economic apparatus. From what Rainko writes, it would seem that the difference between the socialist and the capitalist states depends on organizational structure. In the composition of the socialist state, along with the traditional systems, such as the repressive apparatus, the political and ideological apparatus enter into the economic apparatus. But do we really have here the peculiarity of the socialist state? As Lenin already stated in his study about imperialism, the increasing economic function of the state is a natural step in class struggle.

Correctly, Rainko makes the strong statement, probably having in mind that the prating of our intellectuals on the benefit of "market socialism" and democratic "political pluralism," that the main attribute of the socialist economy is a plan which is emerging and which can be implemented at the present stage by the intervention of socialist state organs. Resulting from this is the grave political issue of the method of organizing socialist planning and its ramifications for state functioning. The matter becomes even more complicated when we consider that in the period of transition to socialism, trade laws are active and may be used to advantage in a planned economy.

The active role of the socialist state in every sphere of the economy does not shake the main positions of historical materialism nor does it justify the view more or less openly represented by many of our theoreticians about the non-adaptability of their analyses to the reality of the socialist countries. This does not concern only the principle on determination of a political superstructure through an economic base, but also the principle on the class warfare. However, to understand the character of this role, it is not enough to recall the known statement by Engels regarding the reversible influence of political power on economic development and relative state independence, but it is necessary to comprehend the view formulated by Lenin regarding the economy in the period of transfer from socialism to communism.

According to Rainko, a peculiarity of the socialist state is that it bears the entire responsibility for the economy and its development. "This responsibility," he writes, "is not comparable to anything known in history, and the socialist state cannot circumvent or free itself as long as it plans to keep the status of a state." (p 43) Having stated this, we have to understand completely the status of the state after the period of passing into communism. These are the same economic causes of the class structure. In Rainko's view, we can see Hegel's state idea as an autonomous subject of historical process. This may be at least the conclusion suggested when we read something like "the state cannot lay claim to...."

In another place he states that "the state is not a material object nor a technical apparatus." But now the question arises: What is the state? The argument that the state is the main element of the political superstructure does not answer the question. According to this, the state is not an object and its apparatus is not a technical apparatus. This is not proof that the state has a will, brain or thinks, feels and therefore has responsibilities. Neither is it an epiphenomenon. The created state apparatus has its own material nature. Within themselves, they do not constitute the state, but they become the state because they are organs of state authority, which is always the authority organized by the force of prevailing economic classes.

The founders of Marxism oppose any idealistic state image. They always emphasize that the state is a special machine or tool of the prevailing class. In this sense, it cannot be treated as a social organization. Most concisely stated, the state is a class dictatorship. The same is the case for the socialist state. From the beginning to the end, it is a dictatorship of the proletariat. As we know, there is a theoretical dispute among Marxists about the definition of the essence of the state. This mirrors the existing ideological divergences in the contemporary communist movement, which have their source in the practice of class struggle, and above all in the contradictions bound up with the development and functioning of the socialist state on the one hand and the capitalist state on the other.

In these disputes, the scientific (in the Marxist meaning of the word) character of the proletarian dictatorship is very often forgotten. In Marxist-Leninist science of the socialist state, it fulfills the same role as the added value in political economy, power in physics, etc. Any consideration of the peculiarity of the socialist state becomes plain speculation if somehow it diminishes the central value of this category. I feel that today Lenin's words in "The State and Revolution" remain fully applicable: "The one who has adapted himself only to the essence of the state's Marxist science, who has understood that the dictatorship of one class is a necessity not only for the proletariat, which has liquidated the bourgeoisie, but also for the entire historical period dividing capitalism from 'the classless society' of communism..." "The passage from capitalism to communism," Lenin emphasized, "must, of course, produce a great number and variety of political forms, but the essence of things will be always the same: the dictatorship of the proletariat." (Footnote 2) (W. Lenin, "The State and Revolution," "Works," Vol 25, Warsaw 1951, p 444) In another place in this work, Lenin stated that the essential authority of the proletariat is 'centralize the organization of power and force." (Footnote 3) (Ibid., p 434)

Very often even today there are attempts to "make history" of those statements and interpret them as conditioned by some special circumstances; i.e., civil war, obscurantism, etc. In this manner, there are also questions about the notion of the proletarian dictatorship as the central category of Marxist-Leninist socialist theory, and what is more important, it is treated as an expression of a passing state after usurpation of power by the working class. Here is one of the newest examples of this type of interpretation in our literature:

In an academic textbook written by Artur Bodnar, "Study of Politics," we read: "The proletarian dictatorship gives the qualitative aspect of socialist state activity, especially in the early period of its existence, depending on the shaping of class-level relations within society in such a way that antagonistic conflicts disappear, followed by a new social structure that is adequate to the new regime." Following this is the statement that "many misconceptions have grown up around the concept of the 'proletarian dictatorship' because of various ways of interpreting its scope," in order to scientifically discover the existence of "many ways of denoting the term 'dictatorship of the proletariat,' which is bound to the statement that "there are many chronological criteria and various methods of political activity." This leads to the conclusion that can be broken down into three ideas on the dictatorship of the proletariat: 1) "the political regime comes to power after a period of direct struggle for power after the socialist political revolution"; 2) political domination of the proletariat and its allies vis-a-vis antagonistic strengths with which they are in conflict"; and 3) "leading role of the workers' party vis-a-vis the socialist state." (Footnote 4) ("Study of Politics," Warsaw, 1984, p 93)

It is difficult to say whether we have here more common ignorance, or vulgarization of the Marxist-Leninist theory of the dictatorship of the proletariat. Maybe we can take this as the author's independent product, which he wrote as a chapter for students: "The state as the general organization of the society." We can judge for ourselves whether this is connected with scientific socialist theory.

Let us return to Rainko's views. Discussing the issue of the decline of the state, he recalls actual controversies tied to the use of the concept of the dictatorship of the proletariat. Rainko writes, "The perceptible resistance to the expression 'dictatorship of the proletariat' vis-a-vis the current socialist state are not necessarily the expression of a kind of opportunism. It arises out of actual difficulties in understanding something which is subject to change and cannot be understood equivocally. The situation is different with analogous resistance in West European communist parties. This resistance and its causes are at least not unambiguous." (p 46) This type of explanation is ambivalent. First of all, the essence of the controversy does not concern expression but rather the entire theory of the dictatorship of the proletariat. Semantic doubts prevent rejection of the theory and practice of the dictatorship of the proletariat. Regardless of the reasons given by the various theoreticians, theory is an expression of ideological opportunism. Class struggle decides the issue. Secondly, the argument that the abandonment of the concept of the dictatorship of the proletariat in describing the current socialist state, for instance in Poland, has been caused by the fact that the subject itself undergoes change is totally pointless. The same can be said for the entire state of social reality and acknowledges that no theoretical categories have the right to be a part of social sciences. This resistance does not concern only the expression "dictatorship of the proletariat" but also expressions like "class struggle," "class conflict," and "rule of the working class." Conceptual offshoots of bourgeois theory which only confuse the issues of the socialist state are introduced in place of these expressions.

9807/9365
CSO: 2600/1020

POLITICS POLAND

FEAR OF PUNISHMENT WILL NOT STOP CRIME

Warsaw POLITYKA in Polish 17 Aug 85 p 2

[Text] "To the Minister of Justice..." Volumes already have been written on fear and surprise as mechanisms. A recent press communique shows that 6,500 persons have been accused of speculation in the first half of this year. This number has increased by 50 percent since last year and it is only the latest illustration that social honesty cannot be supported by fear. This has been known for some time.

You, sir, will not put a guardian angle behind every citizen. One has to count on society's respect for social order rather than on the breaking of it. One must have his/her own choice to follow social good.

Moreover, there is nothing in common with the social feeling of justice and good acts through fear. The principle of justice should be tied to the actual measure of the offense. And so as to recognize these measures honestly, the court has to be independent of the dictate of riotous emotions, and especially of feelings of revenge. This is why the masses never will be able to decide on the level of guilt or punishment. Punishment "for example" is the denial of justice and not its realization....

9807/9365
CSO: 2600/1020

REASONS FOR LOW UNEMPLOYMENT IN SLOVENIA EXAMINED

Zagreb VJESNIK in Serbo-Croatian 12 Oct 85 p 4

[Interview with Andrija Vlahovic, director of the Assembly of the Association of Self-Managed Communities of Interest for Employment of Slovenia, by Marika Toth; date and place not specified]

[Text] "In our new situation, when so many thousands of people are unemployed, the old way no longer works, and we need to find new methods of action. We in Slovenia are trying to do this, and I can tell you that the officials of our Self-Managed Communities of Interest (SMCI) for employment spends as much time with the unemployed as they spend with work organizations asking their professionals whether or not there is any possibility for new jobs, or planning how to productively employ the technological surplus which appears when any operation modernizes."

This was all that the director of the Assembly of the Association of Self-Managed Communities of Interest for Employment of Slovenia, Andrija Vlahovic, said at a not so recent workshop on productive employment, held in Karlovac. Nevertheless, his words--chiefly because they hint at an active relationship with these problems and their prevention, and not passive waiting for things to change--served as the impetus for new questions when time allowed. There is not much time left even now, but there is one fresh statistic which is certainly exciting: of approximately 2 million inhabitants, and 850,000 employed, Slovenia only has approximately 14,300 unemployed. This statistic is significant in a world-wide context (not, of course, if it is compared with the countries of Eastern Europe). So the question can no longer be avoided: why has Slovenia succeeded? The appropriate spokesman to provide the answer is none other than Andrija Vlahovic.

"The answer is not simple, but perhaps what is most characteristic for us is that in the employment field in Slovenia, we do not just work with the unemployed--they are, you will see, just a small part of our activity--but with all employed and, particularly importantly, with those just entering the workplace. In other words, we are attempting to create conditions where as few people as possible have the opportunity to become unemployed.

Three Conditions

[Question] How?

[Answer] First of all, we have a very developed professional orientation which focuses on the workplace and not on education. We follow every young person for six years--from the seventh grade of elementary school until the end of high school--so that we can do a good job of directing him toward his abilities. It helps that there is not much prejudice in Slovenia toward certain kinds of work, a desk job is not valued higher than a blue collar job. Maybe this is a result of the fact that the level of technological development of the Slovenian economy is lower (that's right: lower) than it is in the rest of Yugoslavia (in Slovenia less was built brand new and according to the latest technology, more often the old was modernized). The Slovenian economy is more labor-intensive, and the time of its development was not the time to necessarily push for highly-educated manpower. Thus today in Slovenia the children of highly-educated parents are not reluctant to train to be machinists. And even their parents point them in this direction, having reasonably realistic views toward work and employment.

Perhaps this professional orientation was made easier by the fact that Slovenia turned to polycentric development in time--not just Ljubljana has developed, but so have many other smaller towns; and villages have become urbanized. Thus the possibilities for employment are varied, and pressure on the city, with all the consequences (in addition to unemployment) born by the individual and society--was less. In addition, the status of all who work has been equalized: not just those employed in the social sector, but private workers as well as individual farmers. All have health insurance and guaranteed pensions, they have the opportunity for self-management, and can even, in some cases, be members of trade unions. All of this makes the diversified field of potential employment as attractive as it makes the possibilities for directing it broad.

The second part of the field which relates to young people is the scholarship system. This applies to all young people who go to school, and the scholarships can be either from specific work organizations or from associated resources--a fund into which .5 percent of the gross basic income of all those employed in the republic is poured. The majority are specific work organization scholarships, and those from associated resources apply only in those instances when there are not enough funds from work organizations. But both types are in the service of employment: they are given out first of all for those professions where there exists the possibility for employment. It is unique to Slovenia that there are more scholarships offered, especially in professions such as mining or forestry, than are given out. The scholarships are negotiated and given out in the communities, on the basis of social agreements whose signatories are all the communities and specific republic agencies.

Third, four years ago when the high school system was reorganized, one of the more significant reforms was that a student could leave the educational system to work after just 1, 2 or 3 years of study. After their schooling --regardless of whether they have spent 1 or 4 years--all pupils must have a 6 month training stint, for which they must obtain a certificate. This is organized either in the work organization where the student will later work, or if the appropriate conditions are not present, or a training program does not exist, in another organization, according to an agreement.

Every Organization of Associated Labor (OUR) "on Radar"

[Question] This means that education, employment activities and communities work closely together in the field of employment.

[Answer] Correct, and without this cooperation we could not accomplish anything. In every community we have coordination councils for scholarships, and executive councils for employment. People from employment and education cooperate as closely as possible with the economic chambers, and thus step by step fences are torn down.

[Question] How do you succeed in breaking through the barriers of work organizations, which is a big problem in other areas, frequently resulting in employment resolutions being still-born?

[Answer] We fight against this in many ways. First of all, we never ask anyone to employ a new worker just for the sake of employing him, rather we seek full productive employment. Professionals have a variety of definitions for this, but it is basic that a new worker on a new job work not only for himself, but so that other workers can find work. Second, we strongly insist that work organizations have yearly plans for scholarships, training, and employment. Their implementation is controlled mid-year by the community. This allows us to have every work organization "on radar" so that we can establish precisely how things are going. Then, if something is not working as it should, we go to the work organization, talk, confirm and look for ways to implement what has been agreed upon. In addition, advice given by SMCI for employment professionals is respected, and if we win over 10 work organizations in a community, it is already easier with the rest. The result of all this is that, in fact, the majority of the younger generation is employed directly, without intervention by a SMCI for employment, and that only a third of unemployment is made up of those looking for employment for the first time (the next third by difficult to employ people, for example, the handicapped, and the last third by "fluctuators"--those who are always looking for something better). It is no small thing that the average waiting time for a job is only 3 to 4 months. In addition, there were just 323 people with higher education waiting for work in July.

[Question] The professional services of the Self-Managed Communities of Interest for employment, therefore, have grown into classical employment exchanges.

[Answer] You could say that just on the basis of their two "lesser" functions. The easiest part of their work is administrative-clerical--preparing materials for assemblies and other agencies. But the second part, and much more important--operational face to face--is already well developed. It is not just a matter of working with the unemployed, but also of developing the closest cooperation with work organizations. What's more, our professional services are in fact joint services of associated labor not separate departments. And we agree amongst ourselves who will do what work. Now we are beginning to develop a third and highest function of the service--developmental-planning, through which we will be able to research, predict and intervene with specific resolutions throughout the workplace. But for this area of employment, we must work closely with others within the republic, in Yugoslavia and even in the world.

[Question] You mentioned the total workplace. With this in mind, you insist on one, still not totally accepted, concept.

[Answer] Yes, I have suggested considering work in all its forms and desired results. We cannot permit ourselves to be aware of just formal work, and even more narrowly, just work in the social sector, but we have to encompass the private sector, as well as informal work which includes charitable work, compensation for graduation (you for me and me for you), and moonlighting. These are, in a way, inter-connected chambers, we must know what happens or what we can expect from any workplace. What will occur, for example, in the formal workplace if we get rid of moonlighting or supplemental work, or the other way around. We have to know--still one more example--what it means when 45 percent of those employed in Slovenia in 1984 were women, what activities have to be developed because of this and so forth.

Why the Slovenes?

[Question] In conclusion, can you say why Slovenia is so successful yet the rest of Yugoslavia is unsuccessfully fighting unemployment?

[Answer] Let what I am about to say not be misunderstood as gloating about Slovenia, but as a wish to help others. Above all, I have the feeling that my colleagues in other republics in some ways are over-whelmed by the sheer number of unemployed, so they decide on the fastest steps to lower the numbers. This is why employment is the more essential part of their work--to do everything possible to lessen the pressure on the cities and workplaces in the social sector; and where there is already employment, to coordinate it with developmental trends.

Second, considering all those differences in Slovenia which we have already mentioned, we should of course stress the general self-management climate in Slovenia which is very good. On the one hand, this enables every worker to feel that the employment of others is his problem as well, and that he can and must resolve it. On the other hand, it enables the socialization of functions which were previously strictly segregated, which makes for better cooperation amongst themselves as well as with associated labor. This is the new quality which is giving us new results. Therefore there is nothing specific which is responsible for our success. We are only implementing what we have jointly agreed upon, but we really insist on that implementation.

[Box, p 4]

We are not Closed Off

"We in Slovenia often have the feeling that we are being reproached as being closed off to workers from other republics and provinces," states Vlahovic. "It is my opinion, however, that this is incorrect and that every worker who wants to work, and for whom there is an appropriate job, would be happily accepted. True, there have only been 8,000 workers a year employed in Slovenia from other republics and provinces during the last three years, and in earlier years the numbers exceeded 15,000. The problem does not lie in our being closed off, but in something else. In Slovenia both lower-and highly-educated workers are needed. However, we want the workers from other republics to have an acceptable standard of living, so we insist on bachelors' dormitories among other things, which for them, to a degree, lessens the desireability of such employment, both for the work organization and for the worker who comes to Slovenia; also because this must be paid for leaving less for him to send to his family. This is why we are investing more in operations in underdeveloped republics and provinces, and there we have succeeded in employing more than 8,000 workers. This inter-republic employement can be seen as neglectful, but is seems to us more humane than a mass exodus to Slovenia.

Highly-educated workers present different problems. They would have to know Slovene, because in their work communication is essential. We do not consider this demand too great, but do consider it justified.

12788/9435
CSO: 2800/32

QUESTION OF R&D FLEXIBILITY IN CEMA CONTEXT EVALUATED

Prague HOSPODARSKE NOVINY in Czech No 42, 1985 pp 8-9

[Article by Ing. Mirko Misik from the Research, Technology and Economy Information Center, Prague: "When Our Own Efforts Are Not Sufficient"]

[Text] The article "Science and Technology Progress in CEMA Countries", written by Ing. Petr Kynstetr, CSc., published in HOSPODARSKE NOVINY No 22, dealt with various forms of accelerating science and technology progress introduced in socialist countries. One of such forms treated by the author is the transfer of research and development results into practical use under the supervision of specialized organizations. With regard to the importance of these organizations and to the success they are achieving in countries where they have been introduced, we consider it useful to inform our readers thoroughly about their activity and their standing in the system of management mechanism of the national economy.

The mission of introductory, intermediate or engineering realization organizations is to help in general to introduce the results of research analyses, inventions, improvement suggestions and progressive experiences into practical use.

They are being experimentally verified in some CEMA countries. Certain experiences, based on activities of such organizations, were gathered namely in the BPR, HPR and USSR. The prerequisites of setting up a larger number of such organizations are presently being verified in the USSR and the exploitation of domestic as well as foreign experiences is taken into account at their establishment.

The development analysis of various forms of integration of science into production shows that the evolution of any of them is connected with the solution of certain problems on the limit between science and production or practice respectively. The innovation process may be divided into two global stages: the first stage is preparing the invention for production use resulting in the potential effect of the given innovation; the second stage is the actual use of the results of R&D, invention or improvement suggestion for the purpose of enhancing the scientific, technical and economic level of production and to introduce new production. The outcome of this stage is the accomplished real effect of scientific and technological progress.

The Economic Barrier

Practice has taught us that on the borderline of these two stages there often appear substantial organizational and particularly economic difficulties. The costs connected with the actual realization of R&D results mostly exceed greatly the costs spent on their acquisition. Thus, at the end of R&D arises an economic barrier that obstructs the practical use of its results. Beside high economic demands, the realization of R&D is as a rule accompanied by a whole line of rather important organizational problems, as, for instance, how to assure complete fulfillment of other planned tasks during a period when concentrated attention of management economists, technicians and maintenance people together with a higher number of service personnel is required for the running-in of the new production. Moreover, many medium and small enterprises do not dispose of adequately qualified and trained personnel to introduce the innovation by their own means, without risk and on acceptable schedule, as that usually requires to put into operation new and more sophisticated engineering. In order to bring maximum economic effect, an innovation cannot be introduced in one enterprise only, but everywhere else where it is desirable from the point of view of the national economy. Such horizontal expansion brings about another problem, the solution of which is outside of the sphere of interest and possibilities of the executing organization.

The importance of the above-mentioned problems requires that they be solved by various organizational forms that help to transfer faster R&D results into practice. The most current method of achieving such results is, above all, to do it by the resources of the relevant enterprise, organization or other economic production unit. At the same time, it is necessary to keep in mind the concrete circumstances of each guild, enterprise and plant and to ensure an entire line of relevant measures. The organization has to prepare by its own means the required documentation, ensure the authorization procedure, manufacture on its own premises different non-standardized accessory equipment, secure manufacturing of prototypes, test them, etc. To introduce technical innovations in this manner is feasible only in large organizations having at their disposal all necessary resources, adequate projection potential, construction and development workshops as well as certain reserves of production capacity to cover temporary production losses. As a rule, some of these prerequisites are not available in medium and small enterprises and they are therefore unable to handle the realization of such innovations on their own.

In some socialist countries, the above-cited facts brought about new specific forms of scientific and technological activity with the purpose of rendering different engineering and consultative services enabling organizational, technical and economic aid to those organizations that introduce new technology. The organizational substance of such services are then special, so-called introductory, realization or intermediary enterprises and organizations which are helping to transfer--for payments and on the basis of economic contracts--the results of research and development, of inventions and improvement suggestions into practical use.

In capitalist countries where, contrary to socialist economies, a substantial part of industrial potential is based on medium and small enterprises unable to insure their technological development by their own means, this function is taken over by various technological, intermediary and consulting firms of great variety of specialization. Some of those firms have been in existence for already several decades, many others are established on temporary basis only and having fulfilled a specific contract, they are later closed.

In socialist countries, this is an entirely new type of organization which, however, is by no means a substitute for research and industrial associations, combined enterprises, research institutes, construction and design offices or other organizations. Introductory organizations are created mainly for the purpose of generally supporting the introduction of results of already accomplished R&D work into production, to accelerate the materialization of such results in the largest possible measure and to help overcome the barriers between research and development on one hand and the implementation of new technology on the other hand. The activity of such organizations is based on competitive selection of research and development results, on inventions and improvement suggestions, according to anticipated economic contribution and on general support to transfer the most effective measures into practice.

Bulgarian Experiences

Bulgaria and Hungary may be considered pioneers in introducing new methods of accelerating scientific and technological progress through specialized organizations under the conditions of a planned economy.

The organizational integration of science with production was started in the BPR at the beginning of the 1970's. Several scinetific production organizations were created in the most important branches of the national economy with the aim to verify what influence will have a closer linkage of science and production on accelerating the realization of R&D results. At the end of the 1970's, 40 such organizations were already active in 12 branches of Bulgarian economy. The most widespread form became associations for scientific production, where science was represented by research institutes, planning and construction workshops and production by industrial enterprises. To this type of organizations belong, for instance, The Technology of Metals, Balkanstroj and others. In these organizations, a close collaboration of science with production enabled to shorten by approximately 30 percent on the average the delays of introducing new items into production.

Later were introduced new organizational forms of comprehensive control process from science...to application, namely the so-called pilot engineering organizations. This status was granted to selected institutes, scientific production organizations, foundations for development and introduction of new products, testing stations and experimental bases, laboratories and others. A pilot engineering organization may be an independent economic unit or its subdivision. As such may also be recognized a functional department of ministries and large associations. They act either as independent units of an organizational structure or as its sections.

To a certain extent, an exceptional standing occupies the center for accelerated realization (modernization) "Progress," whose principal task is to organize and introduce state of the art domestic and foreign R&D results into production. It is primarily centered on launching economically important S&T findings applicable in several branches, where the realization is connected with certain risks and temporary deterioration of economic results. "Progress" further helps to exploit joint R&D findings obtained from abroad (patents, licenses, know-hows and other similar documentation), it negotiates orders from production and scientific organizations for various R&D works, for manufacture of prototypes, samples, etc. Introducing innovations, Progress takes certain risks arising from possible failure. While fulfilling its duties, it chooses however individual prospective actions according to economic criteria and thus determines itself in advance the effectiveness of its work.

The Extraordinary Standing of "Progress"

"Progress" is an economic organization. It bases the relations with its partners on bilateral and multi-lateral economic contracts. It accumulates all its assets in its development fund, one part of which is made up in national currency, the other in convertible currencies. The fund formation and its expenses are regulated by a yearly financial plan approved by the chairman of the National Committee for Science and Technology Advancement. The management of "Progress" is entitled to make changes in this plan within previously approved limits. The accelerated development fund of the "Progress center" (in national currency) is made up from contributions obtained from the technology development fund of the National Committee for Science and Technology Advancement, from inventions and rationalization fund of the Institute of Rationalization and Inventions and from profits of enterprises which had introduced innovations with the assistance of the Progress center. The amount of the latter contributions represents 30 percent of the yearly profit from the innovation during the first 3 years of its application.

The basic assets of the accelerated development fund (in convertible currencies) are shares from income obtained for patents, licenses and know-how, sold by the center; other assets are based on bonuses for foreign currency savings achieved by introduction of technology measures enabling limitation of imports from capitalist countries or exports there. The center is further authorized to exploit advantageous credits from the Bulgarian National Bank and has a priority right in the supply of materials and raw materials.

The "Progress" center has approximately 80 employees. Organizationally, it is divided into several small permanent divisions manned by highly qualified experts from various branches of science and tehcnology. To these divisions are added, when needed and on a contractual base, different scientific, engineering and economic organizations having direct interest in the introduction of R&D results into practice. Since 1982, joint centers of accelerated realization may be created together with other engineering organizations in order to exploit the results of research and development with divided risk and responsibility for the results of joint work.

The "Progress" center is also authorized to organize temporary goal-oriented inter-branch collectives where, for the sake of fulfilling various science, technology and economy aims, can be united efforts of mathematicians, physicists, chemists, biologists, economists and other experts from diverse organizations. These specialists, made available for temporary work assignments in the collectives of the center, have to be able to regain their functions and salaries in their own organizations after their assignment in the center is accomplished.

According to Bulgarian sources, "Progress" contributed to accelerate by 30 to 40 percent the innovations it participated in. Among the most important ones belong the establishment of the Telecard system for great distance-transfer of electrocardiograms, new technology of centrifugal casting of pipes, production of elastic magnetic disks for computers, systems of sprinkler irrigation of vegetables, etc. Progress contributed to the development of Bulgarian robots and due to its efforts the robotization program of the Bulgarian national economy has been accelerated by 2 years. During the period of its activity it introduced approximately 100 innovations, with an estimated profit of 4 million Leva to its fund, while the economic effect from these innovations exceeded 70 million Leva.

It is estimated that the results could be even better, if certain continuing deficiencies could be eliminated. Conforming with approved principles of activity, the center is guided by somewhat more liberal regulations on financing, credits, rewards for services rendered, etc. than those valid for the other S&T organizations. All the center's requirements for delivery of machines, equipment and material should be covered preferentially from the funds of the National Planning Commission and the National Management of Material Reserves. Preference should be given as well by the enterprises of foreign trade to all orders of the "Progress" center for imports. It should be stated, however, that such engagements, as well as those resulting from contracts with partners, are quite often met with substantial time delays. All this complicates the work of the center and makes it rather difficult. Therefore, the measures taken at present should ensure more promptly the needs of the center and strengthen its own technical and development bases. Special attention is paid to the creation of mixed enterprises for accelerated realization of won R&D results where, next to the Progress center, other engineering organizations would be represented.

Incentives for Hungarian Inventors

Another CEMA country which has gained experiences from the activities of organizations specialized in transferring R&D results into practical use is the Hungarian People's Republic. For quite a few years already, several organizations of this kind have been active there. Among them should be mentioned in the first place the General Financial Institute for Innovations - formerly the Innovation Fund - further the Industrial Innovation Fund (enterprise "Technova"), the Financial Association for Development of Technology, the organization for introduction of inventions "Nove" and others.

The General Financial Institute for Innovations was founded in 1980 as an independent agency of the Hungarian National Bank. Its fundamental mission is to financially support the innovative activity of economic organizations, especially where certain risks are involved. Beside this principal orientation, the fund assists as well individual inventors and innovators in their endeavour to put the results of their efforts into effect. Mainly supported are measures resulting in saving raw materials, energy and other materials or bringing a high profit to the national economy.

The sources of financial means of this institution are the participation in profits of the Hungarian National Bank and a part of assets of the National Commission for Development of Technology. Their overall volume for 5 years is 600 million forints and represents grossly 1 percent of the amount spent on the national budget for development of science and technology. Upon presentation of a request for financial support, the institute verifies it thoroughly--usually with assistance of external experts--before it decides to grant it from its own resources. The main criterion for a decision of its participation in a given action is the ratio between the anticipated costs and anticipated economic result. The institute pays from its own resources the following expenses: execution costs of an expertise and economic evaluation, part of expenses connected with production and verification of prototypes, investments in setting-up and running of semiproductions, in zero series production, etc.

It does not participate solely in the financing of the above-mentioned activities, but in their management and coordination as well. Financial means granted to producers are not considered a loan, but a share; according to its amount, the General Financial Institute will then participate in the profit, possibly also in a loss, in compliance with the conditions of a previously made contract.

Between the Institute and its partners, contracts of several types are concluded; they depend on the stage of execution of the R&D work and on the partners participating in the contract. The contract always stipulates the rights and duties of the parties; one of them is the right of the institution to determine the spheres of production, connected with the interests of national economy. The contracts always have to include a cost estimate according to stages, further a progress chart of the work and a review of sanctions for non-execution.

The institute spends its resources in compliance with the principle of joint risks and benefits. If its management decides--on the base of the expertise results--to stop the financing, the producer is not obliged to return the money granted previously by the institute. In case of successful realization of the innovation, the producer pays the previously agreed upon participation profit to the organization until the amount, stipulated by the contract, is reached. It is requested that financial losses from unsuccessful ventures be compensated by gains from effective ones.

In the Sign of Innovations

The establishment of the General Financial Institute for Innovations aroused an extraordinary interest among Hungarian enterprises, research institutes and other organizations, as well as among investors and innovators. In the 3 years of its existence, it received more than 600 applications and proposals. One third of them was outright refused, as a rule due to unsatisfactory effectiveness. In 1980, the financing of 42 projects was initiated, in 1981 there were already 57, in 1982 69 projects. Most of them are geared to the development of new technology procedures, to new products and to industrial equipment, some of them to consumer goods.

In the first 3 years of its activity, the institute granted 240 million forints; at the end of the third year, about 40 percent of capital spent during the first 2 years were reimbursed. Approximately one fourth of operations initiated had to be scrapped immediately after the expertise was concluded. However, the thus incurred losses were not important.

In spite of undeniable successes, the institute has to overcome many problems according to the opinion of Hungarian economists. The lack of experts and agencies, willing and able to secure and coordinate all activities connected with introduction of R&D results into practice, is believed to be the main problem. As unsufficiently resolved is deemed to be the material and moral stimulation of the participants, which causes to the small team of the institute (only 12 employees at the end of 1983) considerable difficulties. Despite these problems, the agency is living up to its tasks and has proven its justification and viability.

The results of the institute's activity inspired the HPR Ministry of Industry to start in 1983 its own similar agency, the Industrial Innovation Fund, under the name of "Technova." Basically, the function of this agency is identical with the functioning of the General Financial Institute for Innovations; it serves organizations under the authority of the Ministry of Industry. There are, nevertheless, certain differences between the orientation of "Technova" and of the Institute. "Technova"'s basic form of financing is an innovation credit, granted as a rule for 6 years, under the condition of a joint participation in profits and risks and mutual advantages. Technova grants financial assistance in the form of profits and risks participation only if the earnings from the participation are expected to be higher than the credit interests.

It is expected that "Technova" ensures a broader net capital formation of its financial assets. The maximum profit however is not decisive for its activity. In conformity with the technology policy of the Ministry of Industry, it keeps the lower rentability level of its activity at 3 to 6 percent. All expenses--wages, salaries to externists, production costs, payments to the technology development funds and others are covered by "Technova" from its own income, gained from interests of innovation credits, from participation in profits at non-refundable contributions and for rendering or negotiating various services.

Another Hungarian organization for intensification of science and technology progress is the Financial Association for Technology Development, founded on the initiative of the National Commission for Progress of Technology and the HPR Investment Bank, together with "Technova." The Investment Bank pledged to grant to the Association, in the course of 1983 to 1985, 300 million forints for the creation of its financial fund.

The fundamental mission of the Association is to assist financially enterprises and organizations in ensuring introduction of new technology into production envisaged by the plan for development of science and technology. The association functions under similar principles and regulations as "Technova," i.e., it grants primarily innovation credits; however, it can also advance investment credits contributing to the manufacturing of new products developed in the framework of the state plan for development of science and technology. The credits are granted to petitioners according to the results of competitive proceedings organized by the association. From the 60 so far presented applications, 40 were accepted. To finance them, the association will make available 150 million forints from its funds. In the future, the association intends to grant credits with the provision it will participate in the profits of the effected innovation. It is considered that it will finance, together with the National Commission for Technology Development, some risky ventures of the state science and technology programs. The initial phase of the process science... to utilization should be financed by the National Commission and the follow-up phases by the association.

Experiences of the Soviet Union

In recent years, organizations specialized in transferring scientific and technology experiences into practice were created. Among them should be cited: the Moscow experimental engineering production enterprise "Energotechprom," the Azerbaijan production center for installation of science and technology findings and progress experiences connected with the State Planning Committee of the Azerbaijan Soviet Socialist Republic, the organizations "Effekt" in Tallin, "Oriont" in Riga and others. Their mission is to assist in general inventors, innovators and primarily medium and small enterprises lacking the prerequisites to carry out innovations on their own. All the cited organizations are working on the cost accounting principle.

In spite of achieved successes, their activity encounters many problems. Some are unable to resolve questions of organizational character, others cannot clarify principles of dividing up the created assets between the pilot organization and its partners, etc.

In most of the Soviet pilot organizations, there are being established subdivisions necessary for comprehensive transfer of S&T results into practice. With regard to foreign and domestic experiences, it is considered useful to generalize the principles of founding branch pilot and intermediary organizations and to build up their network in the entire country. The principal task of such organizations should be a fast expansion of innovations in the whole branch and assistance to enterprises lacking the prerequisites to carry out innovations with their own resources.

At the same time, it is considered useful to establish in the USSR a specialized inter-branch pilot organization which would finance the introduction of such innovations and inventions of inter-branch character that are not part of departmental plans of S&T development and that could, with acceptable risk of failure, be of substantial effect to the national economy. The capital fund of such organization should be created from the assets of the unified fund for S&T development and of a part of profits of organizations implementing the new technology. In principle, the activity of this organization should be directed by the same rules that apply for the Bulgarian "Progress" or the Hungarian Institute for Innovations.

****

The activity of some years of the pilot organizations in the CEMA countries enables us to make certain generalizations about such forms of enterprise:

* By their activity, the pilot organizations weaken considerably the existing economic obstacles to implementation of innovations;

* New economic incentives and organizational conditions for the solution of inter-branch S&T problems are arising;

* An area is being created for more operational and more flexible management of the realization of prospective innovations;

On the other hand, the influence of pilot organizations should not be overrated and it should not be expected that they will solve entirely problems originating from inadequate economic interest of organizations and enterprises in introducing R&D results into practice. It is however important and fundamental that there is being created a more flexible organizational and economic mechanism for creation and exploitation of financial, material, cadre and other resources for the benefit of intensifying science and technology progress.

From the present short-term practical experience of pilot organizations it is evident that their activity proceeds basically along two main lines.

Firstly, they gather an extensive collection of information on the following: new R&D knowledge ready to be put into effect; experts, interested to contribute, possibly even in their free time, to a greater effectiveness of their work; organizations and enterprises able to offer to the pilot organizations their services; enterprises interested in and requiring to realize innovation operations.

The second fundamental orientation of pilot organizations consists in their own implementation of innovation plans. For this purpose, these organizations set up the already cited internal subdivisions composed of their own employees and of external or temporarily employed experts. The task of such collectives consists in assisting the production organizations to implement the innovation in concordance with the concluded contracts.

In conclusion, it may be stated that the activity of pilot organizations contributes to the increase of work efficiency of the entire R&D potential, to the acceleration of R&D progress and to the growth of effectiveness of the entire national economy in their respective countries.

12707/13167
CSO: 2400/43

RESEARCH CONTRIBUTIONS IN ASTRONOMY, SATELLITE REMOTE SENSING

Warsaw ASTRONAUTYKA in Polish No 4, Apr 85 p 2

[Article by W.G.]

[Text] Low-Frequency Wave Plasma Analyzer

The successful launches in December 1984 of two Soviet space probes VEGA 1 and 2 towards Venus and Halley's Comet (incidentally, with Polish-made equipment for study of low-frequency plasma vibrations) have certainly focused attention of those in our society interested in space research. In 1980, the Space Research Center of Warsaw accepted a request by the Academy of Sciences of the USSR to develop an instrument for studying the gas conversion of matter (which is the main constituent of Halley's Comet) as it is heated by the sun when passing near the perihelion. It is assumed that the material of comets belongs to the most ancient forms of matter from which the solar system was made.

The equipment developed in Poland for the Soviet space probes is called APV-N, which stands for plasma analyzer of low-frequency waves. It consists of sensors of two types: electric sensors measuring the field fluctuation and a plasma sensor measuring the density fluctuations of plasma. The scientific aspects of the experiment and the research program have been developed by Dr. Pawel Oberc from the Space Research Center, while the actual construction of the equipment was carried out under the direction of Zygmunt Krawcyzk, DSc (Eng), from the Aviation Institute in Warsaw, jointly with Zbigniew Zbyszewski, MS (who created the concept of a large number of instruments), from the Satellite Electronics Laboratory of that institute.

Polish equipment units operate on 5 W power sources and have undergone complicated tests for about three months.

Another assignment undertaken by Polish scientists and specifically the team working under the direction of Professor G. Sitarski at the Space Research Center, with astronomers from Krakow, Poznan, Torun and Warsaw, is precision measurement and calculation of the orbit of Halley's Comet.

Polish Measurement Instruments Used in India

Under the Interkosmos program, Poland is taking part in constructing and providing equipment for an Indian station of measurements and observation of artificial earth satellites at Kawalur near Bangalore. This is one of 30 world stations situated in the latitudinal direction near the equator and in the meridional direction from Spitsbergen to Antarctica. The laser ranger installed at the station is furnished with Polish time counters. Polish equipment has already been installed at more than a dozen stations around the world.

Studies of Interstellar Clouds

Taking advantage of the recent peak in solar activity, studies of solar wind have been conducted in Poland (in the framework of the Interkosmos program) analyzing interstellar matter. Interstellar clouds consisting of hydrogen and helium penetrating inside the solar system meet with a flux of particles ejected from the sun, the solar wind, which produces various effects that have been investigated by the Space Research Center in Warsaw for several years.

Studies of Magnetic Stars

Astronomers at Warsaw University are investigating magnetic stars. These stars generate a very strong magnetic field and are much colder than the sun. They are also characterized by periodic fluctuations in brightness. One of these stars is located in Draco--about 200 light years from the earth. Another makes up part of Cassiopeia, about 1000 light years from the earth.

Polish Telestar

Telegwiazda [Telestar] is the name of a piece of equipment designed by the Institute of Electronic Principles and the Institute for the Construction of Fine and Optical Instruments at Warsaw Polytechnic under the direction of Grzegor Czajkowski, MS. The program coordinator is Slawomir Makal from the Space Research Center. The order for this equipment was placed six years ago under a Soviet-French experimental program with registration of gamma radiation from space for orientation of artificial satellites in flight. This radiation cannot be observed from the ground, because it does not pass through the atmosphere to the surface of the earth.

In the planned experiment the satellite will carry a telescope (mass of 1.5 tons) based on gamma rays; a device developed at Warsaw Polytechnic Institute will be the "eye" of this telescope. Gamma ray signals received by this device will be transmitted to the electronics block, where they will be analyzed by a microprocessor so as to identify the two brightest sources of this radiation (stars or galaxies) to determine their bearings and amplitude, which is sufficient for satellite orientation. This explains the name of Telestar given to the telescope eye. Thanks to its installation, the program can now be described as a French-Soviet-Polish experiment.

The Use of Satellite and Aerial Observations in Mining

Infrared photography of large areas of the earth is known to be used in remote satellite detection for various economic, meteorologic and navigational purposes. When used at night, it is called night vision. Until now, however, it has not been applied for mining conducted underground. It has been found that thermal vision--based on converting the infrared radiation of areas that have a higher temperature than their surroundings into a different form of energy such as electricity or chemical energy (thermographic image)--can also be used to detect thermal effects occurring in mines. The rocks that form the roof of a mine threatening to collapse conduct heat differently than surrounding rocks which exhibit no fissures or exposures observed in beds remaining above excavated seams of coal or other minerals. In horizontal workings, this causes temperature differences on the earth's surface which can be observed on thermographic maps. It is also possible to detect the areas hazardous for coal self-ignition, as indicated by local temperature rises in the coal seam.

Tests conducted in Pstrowski mine detected such potential sources of underground fires, where coal temperature rose above 40°C.

9922:
CSO: 2602/14

RESEARCH ON FIRE-RESISTANT PLASTIC MOLDING COMPOUNDS

Gliwice CHEMIK in Polish No 8, Aug 85 pp 199-203

[Article by Wieslaw Nowaczek and Waclaw Krolikowski, Department of Synthetic Materials and Protective Coatings, Institute of Chemical Technology, Szczecin Polytechnic: "Reducing the Combustibility of Compounds of Unsaturated Polyester Resins"]

[Excerpts] Much attention has been given to reducing the combustibility of plastic materials both in countries with a high level of plastic material consumption and in those where replacing traditional materials with polymers compounds has begun recently.

The studies are concerned with such aspects as toxicity of the ingredients reducing the combustibility and the polymer decay products, improved combustibility tests, effects that arise in the course of polymer burning and various applications. In Poland, combustibility of plastics is studied by several academic and industrial institutes, but most of these studies are concerned with applications of foreign-made preparations, because there are no domestic fire-resistant additives. The situation with domestic halogen polyester resins is also unfavorable. There are two types of this resin used in Poland: Polimal 162 with HET acid (hexachloroendomethylene tetrahydrophtalate) or Polimal 160. They are produced by catalytic copolymerization of maleic and phthalic anhydride with epichloralhydrin.

The former can be used to manufacture lower-combustibility polyester molding compounds, but their low resistivity to leakage currents prevents their use in electric insulators, greatly limiting their possible applications. The other resin, Polimal 160, can be used to produce dough-molding compounds [DMC], but is unusable for sheet molding compounds [SMC]. This is because the polyester chain of this resin contains no free carboxyl groups and at both ends is terminated by hydroxyl groups. As a result, it is incapable of reaction with oxides or hydroxides of alkali earth metals, which is the basic process in the manufacture of sheet molding compounds.

The development of Polish polyester molding compounds with a reduced combustibility is predicated on the projected introduction of an industrial aluminum hydroxide plant. In 1978-80, the Department of Synthetic Materials and Protective Coatings of the Institute of Chemical Technology at Szchecin Polytechnic developed noncombustible polyester molding plastic compounds of the

DMC type using domestically produced aluminum hydroxide subjected to additional laboratory processes of drying and grinding to obtain the required grain size. The materials have been tested successfully at the Electrical Engineering Institute in Warsaw and, in a few years, could become an effective substitute for plastic compounds currently produced with imported fire-resistant additives.

9922
CSO: 2602/14

SOCIOLOGY CZECHOSLOVAKIA

WESTERN WAYS COMPARED WITH CSSR SOCIALISM

Prague TRIBUNA in Czech 20 Nov 85 p 2

[Article by Petr Stejskal: "Crutches of Illusion"]

[Text] During a panel discussion we held with future lawyers and economists, one of the participants summed up his thoughts--apparently refreshed by a recent visit to the FRG--as follows: "Be it as it may, I believe that until such time as our store windows are overflowing with goods, we cannot speak of socialism in this country." These words were supposed to be some sort of discussion contribution when we were talking about future programs contemplated by Soviet communists, and their significance for the advance of socialism here.

Can we consider the well-supplied store windows in the West the sole criterion of a perfect way to satisfy people's needs in the area of consumer goods? We have indeed experienced such a situation here in the past. During the time of the First Republic our stores were also full of merchandise, yet we must ask what good was the well-stocked White Swan department store to the unemployed?

Adequate supply of quality goods to satisfy reasonable demands of the working people, that is certainly our goal. Let us recognize, however, that this is not the moving force behind retail trade so admired in the West. There the main impetus is to sell, period. What is produced must be sold and, bearing this in mind, production tries very hard. It is no longer sufficient for the sales people to fawn over the customers. Even retail trade is affected by science and technology. Precise analyses of demand and the market, profiles of potential customers, assist in the elaboration of scientific sales methods. These have been joined by refined advertising practices brought to the point of perfection. That is the substance and internal mechanism of the stores which offer their attractive displays in towns and villages in the West.

We have no intention of stamping such practices on our retail trade establishment.

Another small "detail," which somewhat diminishes the effect of the overflowing store windows west of the Rozvadov border station, emerges only after some time spent, let us say, in the FRG. Yes, the stores are full, for instance, of various types of crackers and snacks, yet when visiting someone you are offered one or two of each, rather than a full box, as is the custom here. This happens even with friends in the West, even though you get more if you ask for it. Thrift among common people in the West is quite distinguishable from our Slavonic understanding of hospitality, and is typical of most consumers there. Such frugality is not a feature prompted by some sort of higher culture, but rather by necessity.

Economic conditions, the amount of income and the cost of services, such as health care or education, are the reason why the average Viennese or Parisian simply passes by such well-stocked establishments. They have no time nor money to spare. For most of the unemployed millions who are part of a society which flaunts abundance, these establishments might just as well not exist, except for occasional low-price sales. Thus, the army of unemployed existing on various subsidies, or even vegetating without any means whatsoever, represents a characteristic, and in a capitalist society quite natural and lawful, regulator of demand and of those who actually enter such stores. These are considerations we do not know here, nor do we want to know them.

Nevertheless, we must purposefully create conditions for better supply of the population and, in the final analysis, we must do so better than capitalism. This means providing a broad variety of commodities with a corresponding range of the price spectrum. This is a long-term task which is difficult in a socialist society since, with few exceptions, there are no conditions nor interest in prestige-oriented luxury consumption which in captialist societies is used to attract the inordinately high parasitic income of their elite. In our country, price must go hand in hand with quality. The slogan "good reward for good work" must, in the long run, be reflected in consumption. Toward this goal, we have embarked on a path followed by only a few socialist countries so far. The prescription is not simple, yet to follow merely the road of "old and tried mechanisms," such as trading with industrially developed capitalist countries, would be an evasion of the problem, if not a step back.

Behind the tinsel of overflowing store windows in the West, there are many hidden facts not discernible at first glance. In deeper examination, however, we find that these are of varied provenance. From some we can indeed learn, others we simply reject.

Out aim is not merely to fill our shops with goods, even though complaints about certain shortages are justified, but rather to make sure that people find what they need and wish to buy with their hard-earned money. In this respect we cannot be satisfied with our performance. The problem can be resolved only through higher production and expanded exchange of goods among the socialist countries. This is precisely the ultimate goal of our and Soviet planning through the year 2000. We will not achieve this through "aping" Neckermann, Sears or other famous firms in the West, and it is sad that this type of logic has somehow bypassed some of the participants of this discussion. Otherwise, they would not be presenting their illusions of "stores in the West" as the only way of satisfying people's needs in the present developmental stage of socialism which we have achieved.

Even such a frequently-discussed problem as the helpfulness or lack of it among sales people cannot be resolved by emulating the practices in the land of "overflowing store windows." The salesperson there is forced to sell, for in the capitalist system such employees must sell not only goods but their personalities as well. If they fail, they are simply replaced by someone else who is better qualified and more aggressive. We too desire better customer relations, but threats of unemployment are not part of our program. Thorough education and socialist principles of rewarding labor create sufficient room for distinguishing good or bad performance.

The need is, however, to apply these well-known principles more consistently in the future. Such thorough application of that which is valid and well known to all, provides the starting point for a march ahead on the road of socialist transformation.

We cannot succeed without clear awareness of socialist development as a whole, as well as the individual areas in the life of our society. We will not get far if, instead of precise thinking and concrete deeds, we succumb to the crutches of illusion.

9496/12790
CSO: 2400/69

DOGMATISM CRITICIZED FOR BEING ABSTRACT

Prague TRIBUNA in Czech 27 Nov 85 pp 8-9

[Text] The essence of dogmatism is that it severs the correct ideas of classic Marxist-Leninist writings from their specific contents and the context in which they appeared and makes them into abstract formulas which are then used for new and specific events and situations. In so doing, dogmatism must elevate some aspects of the teachings of classic Marxism-Leninism and suppress others so as to create a logically formed system of formulas applied to new phenomena of social development. Instead of studying actual facts, it is devoted to perfecting the formulas of thinking under their unrelenting pressure so as to use the individual teachings becoming even more abstract, less viable, and more removed from the facts. Because its practitioners believe in their system of theses above all else, they overlook the facts and their study is replaced by self-serving "improvements" in the theory, which becomes a substitute for actual studies.

In the dogmatic method of thinking, isolated cases are elevated in place of concrete analyses of contradictions and conflicts. In such a case, research is transformed into a procedure of subordinating new facts to an abstract thesis, which is supposed to mean generalizing the facts and confirming them in relationship to the general thesis. Of course, such a procedure of demonstrating the correctness of Marxist theses by accumulated examples is unproductive and uncreative. In such cases, as V.I. Lenin showed, dogmatism is not working with reality, but changing it to an "apparent specificity."

Dogmatism will therefore fail despite every attempt to master and to influence reality, since it allows changes in theory and theoretical dealings with the facts by simple empirical description. To a certain degree, this indeed corresponds to the facts of the observed objective reality, but in essence it makes it possible, because it is based on superficial reflexes, just to compare, classify, and catagorize the peculiarities and characteristics of the given phenomenon and its empirical given fact. This is the lot of dogmatism, for which dialectics has remained just a summary of examples.

Dogmatism thus gives an empirical picture of the subject studied, but the more essential sources of conflict remain outside its field of observation. When these conflicts are revealed, searching for ways to solve them results in the trial and error method being added to empiricism. And this is where it becomes infused with opportunism; for example, empiricism is not capable of explaining medium-term and long-term interests of society as a whole, which results in research not having showed in time where and by what method the changeover to the path of intensive development should have been made. Dogmatism connected with both political and theoretical opportunism leads to theory lagging behind practice. The result is then such practical activity as is reduced to opportunistic agreements with the demands of the day.

Dogmatism willy-nilly adjusts theory to reality, but from the negative viewpoint. It seems that it can explain reality more deeply as the theoretical system is improved. The result is, of course, abstraction, formalism, verbalism, and subjectivism. Its main deficiency is the transformation of a specific truth into an abstract, absolute truth which conflicts with reality.

Dogmatism ignores some aspects of the teachings of classic Marxist-Leninist writings, but it cannot be overcome by a one-sided selection and emphasis of previously suppressed aspects of Marxism-Leninism, as revisionism does. In such a case, we are just dealing with dogmatism "turned inside-out"; it also depends on perfecting the theory, but by way of developing only a few theses without worrying about the actual facts. Because this "inside-out" dogmatism is simply indifferent to the actual problems of the revolutionary workers' movement. In both cases, the results are the same; theory ceases to be understood as a factor of actual revolutionary practice and is treated as a matter which exists in its own right and to which reality is subordinated.

The oversimplification and vulgarization of Marxist-Leninist theory by dogmatism is itself a consequence of insufficient knowledge of Marxism-Leninism. Those who vulgarize and oversimplify it explain the dialectics of both Hegel and Marx without adequately knowing them and without knowing the special science. They remove themselves from concrete analyses and attempt to transform Marxism-Leninism into some kind of skeleton key; just a collection of quotations. It is not necessary to demonstrate that such "attempts" amount to a distortion of Marxism and cause enormous damage in theory and in political practice.

Dogmatism slows down the development of scientific Marxist-Leninist thought, vulgarizes socialism as a science, and prevents the application of the critical method of dialectical materialism. This is exploited by some "innovators" in order to push their own subjective ideas on the development of socialism by making absolute values out of some new aspects of reality. The practice of the workers' movement and its development and experiences from the struggle against both dogmatism and revisionism have shown that both have subjectivism and an idealistic attitude toward reality in common. Only a thorough study of Marxism-Leninism and an intensive knowledge of practice make it possible to avoid dogmatism and revisionism in theory and in practical politics.

6285/12859
CSO: 2400/88

EXPERIMENT WITH ECOLOGY IN EDUCATION

Prague RUDE PRAVO in Czech 2 Oct 85 p 3

[Interview with Rudolf Koucky by Zdenek Zuntich: "Experiences Should Not Fall in Oblivion"]

[Text] Last school year represented in nine schools of the CSR the end of the 5-year experimental verification of the UNESCO project on high school education in environmental protection. Its goal was to find out how the syllabi of individual general and special subjects react to these needs, what concrete changes could be proposed, what is the relationship of young people to their environment. We speak about the past period with Eng Rudolf Koucky who was in charge of this experiment at the technical high school of forestry at Pisek.

[Question] How do you feel after the conclusion of the experiment?

[Answer] We constantly emphasize to our students three fundamental issues which have become a vital necessity for the man's existence--peace, availability of sufficient food and preservation of a healthy environment. For this reason we had welcomed that also our school could participate in this experiment, although I know that in comparison with the gymnasiums, construction or metallurgical training centers we enjoy certain advantages. Because not only our courses of study, but also the students themselves are closer to nature.

I would not like to create the impression, however, that everything proceeded smoothly. It was for example necessary to persuade the teachers that they also could incorporate these topics in their seemingly unrelated subjects. Frankly speaking, they were not much interested in it. In the course of time, however, we solved this problem. In the Czech language classes compositions gradually appeared on topics such as "Protected natural formation in my birthplace," while in the mechanics classes there was more talk of what might happen, if oil is spilled into the source of water. Ultimately there was not a single subject which was not affected by the topic dealing with the living environment.

[Question] If somebody wants to instruct students he must have a source to draw on. What source did you use?

[Answer] Much depended on the individual study. Fortunately precisely at this time our publishing house included ecological textbooks in its publishing program. The daily press also was of great assistance to us.

As to the textbooks we received a promise that no new textbooks will be published in the future without a special chapter devoted to ecology. It is necessary because the present textbooks do not pay much attention to this topic.

[Question] What was the students' reaction to these topics?

[Answer] We worked with one experimental class during the entire period of study. The students became rather easily familiar with the basic terms, but found it difficult to interrelate them. In other words, when I know something I can use it also in the broader contexts. They were interested in these problems and this was reflected also in the quality of some works dealing with the environmental protection. For example the treatises "Negative effects of ice-melting salts on the trees along the highways," "Forest buzzard," "Anthills in the Hurka Forest near the school" or "White-barked fir in the forests around Pisek" were of very good standard. As to the discussion in individual classes, the most lively was the discussion on the negative phenomena which we observe in nature around us.

[Question] We have talked so far only about the education in the classroom. What about the extracurricular education which is sometimes said to be even more effective?

[Answer] We have not forgotten it either because it is an adage that it is better for the students to "touch" things than to listen for hours to theoretical explanations. I think that every broader view no matter whether the boys gained it in the Sumava reserve, Zelivka water reservoir, on the recultivated dumpsites of North Bohemian mines, in the forests around Karlovy Vary spa or in the Ore Mountains provided them with many stimuli for the rest of their life and opened the eyes to many of them. Much work was and is still being done for the benefit of the Pisek municial national committee. But what was most and in my opinion rightly appreciated was the 9 km long trail which the students under eng Kucera's supervision built in the forest near our school. This trail has 16 information panels, rest areas and an arbor.

[Question] The experiment has ended. What do you intend to do next?

[Answer] When we were beginning, we were asked why we were embarking on this experiment. After all, we had the subject "Protection of forests and natural environment" in which almost everything could be covered. I think that this is not possible. One subject alone cannot deal exhaustively with all the problems involved. What is important is the comprehensive approach in which we should continue even after the experiment was brought to an end. Our syllabi are more extensive than before, we have gained by no means negligible experiences and there is therefore no reason why we should not continue in this spirit also in the future. We have succeeded in this respect so far, although the school and the teachers have been doing this on their own.

10501/12859
CSO: 2400/24

SOCIOLOGY

POLAND

YOUTH, ACADEMIC AFFAIRS FEATURED

Rectors on New Higher Education Law

Warsaw RZECZPOSPOLITA in Polish 25 Sep 85 pp 1, 2

[Article by Andrzej Skrzypczak]

[Excerpts] Only a few days are left before the beginning of the school year. As is known, the schools will begin their work supported by new legal principles contained in the updated law on higher education and other laws which together embrace the whole sphere of education which were adopted on 25 July of this year.

A RZECZPOSPOLITA journalist asked prorectors responsible for teaching and student affairs at several colleges about the state of readiness to begin the upcoming academic year and what they thought of the new legal regulations.

"In spite of the fact that we only finally finished the work related to accepting students for the first year of studies in the first half of September," said Dr Jan Jakobowski, prorector of the Pedagogical College in Bydgoszcz, "the college is ready to begin work. In my opinion, the new rules will improve the way the college functions. It's a pity they were instituted so late. By clearly outlining the rights and obligations, they promote discipline among students and faculty. Management of the college will also be improved. For example, the increase in responsibility of the officers of the college is proportional to their powers. I do not think that this will harm the democratic decisionmaking process. In fact," added Professor Jakobowski, "I think the real scope of democratic management will be even greater than before. For the simple reason that, bearing personal responsibility for the success and consequences of many decisions, before making these decisions I will take great care to get the opinions of all groups at the college which are competent in the matter. As for student participation in collegial organs, basically their numerical representation remains the same. On the other hand, guaranteeing places in these organs for representatives of youth organizations may have a positive effect on greater student integration."

According to Dr Andrzej Czerwinski of the Bialystok Polytechnic, "The new regulations will not lead to any basic changes. It happens that the greater personal authority for head of the institute only makes official a situation which already existed in practice in our college. Likewise, the increased representation of students by members of the youth organizations is in keeping with their real importance in the college. The main current of student life was already concentrated in the youth organizations."

According to Dr Andrzej Grzywacz, prorector of the Main School of Agriculture in Warsaw, "The new law on higher education may improve and shorten the time spent on making decisions in certain specific areas. I also consider that the student representatives chosen on a new basis, especially in the department councils, will more actively cooperate in social affairs of young people and in matters related to teaching and upbringing."

"We finished accepting new students in July," said Dr Czeslaw Glombik, prorector of the University of Silesia. "Because of the large surplus of applications for every area of studies, we have reached the limit of how many we can accept. Those candidates in the most popular areas of study for whom there were not enough places in the daytime section, were offered places in the correspondence section on condition that they work in education. Many people have taken advantage of that offer. The University is ready to begin work. In accordance with the recommendations of the ministry, we have revised the new study programs, which will be gradually instituted for beginning first year students. The new law will improve the functioning of the school. Many of the rules are in keeping with the practice of colleges and the principles of operative management. It is also important that in the collegial organs a decided majority is given to independent faculty members. In the affairs of the University their voice must be decisive."

New Szczecin University Described

Warsaw ZYCIE WARSZAWY in Polish 26 Sep 85 pp 1, 3

[Interview with Szczecin University rector Professor Kazimierz Jaskot, by Janina Paradowska]

[Excerpts] [Question] Only a few days are left before the beginning of the academic year at Szczecin University. Years of effort by local groups, supported by education circles throughout the country have led to a Sejm law creating the 10th university in Poland, which will shortly begin operation.

[Answer] The university will begin operation with almost 5200 students, including over 3200 day students. For the first year we have accepted almost 1200 persons, including about 800 for daytime studies.

[Question] The new university is based on the Pedagogical College and the Engineering and Economics Faculty of the Szczecin Polytechnic. The university will get its students from those schools. What about the staff? Will there be enough people, especially independent faculty members?

[Answer] This year we will have 109 professors and docents, as well as 10 doctores habilitati.

[Question] How many faculties does Szczecin University presently have?

[Answer] We have two large faculties: that of the Humanities, which consists of five institutes and three chairs, and that of Economics, also with five institutes and four chairs. We have our own computer center in the Economics faculty. In addition the University has a faculty of mathematics, physics and chemistry, as well as two institutes equal in status to faculties. These are the institutes of Law and Administration, and that of Physical Education. A faculty of Biology and Marine Sciences, and a research center for the countries of West Africa, Asia and Latin America are being organized.

[Question] What about promises coming from various academic circles? Many scholars have said that if a university-level institution were created in Szczecin, they would move to that city and support the new school with their knowledge.

[Answer] During the last two years, when the work on organizing the university was beginning to gain momentum, 21 independent teachers came to us. This process is continuing, and we believe that in the next two years the number of "imported" professors and docents will reach 40. We have an agreement with the University of Wroclaw in this area which is being consistently carried out, in addition to assistance from the University of Silesia and the Adam Mickiewicz University in Poznan. We also get independent teachers from institutes of the Polish Academy of Sciences.

[Question] From what you have said so far, one might get the impression that the University is starting up with no problems, but one can hardly believe that, since even much older institutions have innumerable problems.

[Answer] The biggest problem is new investments. In this respect the whole academic community in Szczecin has been neglected, with the possible exception of the Polytechnic, which has expanded in recent years. The most serious problem is the lack of housing for young teachers and students. If the investment program which has been approved is implemented according to plan (which it has been so far) the situation should improve in the next 2 years: a hotel for assistants and a dormitory will be put into operation.

Another problem is our collection of books. In some areas it is limited. That goes particularly for law and the exact sciences. But I must note with satisfaction that we have received great help in solving this problem from the Academy of Sciences, and also from universities, at least Warsaw University. If these institutions have duplicate copies in their collections, they send them to us. We also get many gifts from Polish scholars and also from many people not directly involved in education. We also receive gifts from abroad. For example, an American citizen of Polish origin is sending us a unique collection of mathematics journals. We therefore believe that during this year our library will be enriched, and that we will fill in the most troublesome gaps in this area.

If we speak of problems, obviously we still have a great shortage of independent faculty members. We are constantly looking for people in the exact sciences. So far we have assembled a basic staff, but we hope, for example, to teach not just mathematics, but also its subdisciplines at the university level. In addition, like the majority of schools in Poland, we have problems buying the equipment necessary for new subjects. There are innumerable problems, and we know that we will not be able to solve them all at once.

[Question] In Szczecin the university is beginning to operate, but at the same time the Pedagogical College is ceasing to exist. The shortage of teachers in this region is just as great as in other parts of the country. Won't there be even less teachers now?

[Answer] In this matter the decisions were clear from the beginning: all the education subjects taught at the Pedogogical College must be continued at the University, and others must be developed. Thus, the number of trained teachers will grow. Even for this academic year we have accepted many people to study education. In addition, let us recall that all university graduates must take teaching courses. So we hope that when the University starts operation we will be better able to satisfy the regions' need for teachers.

[Question] Thank you for the interview.

Youth Plenum's Critical Self-Analysis

Warsaw TRYBUNA LUDU in Polish 26 Sep 85 pp 1, 2

[Text] A critical plenum: that is the assessment one could hear quite often during the intermission of the third session of the Main Board (ZG) of the Union of Socialist Polish Youth (ZSMP), which took place on 25 September in Warsaw. And it is difficult not to agree with that opinion, knowing that it referred primarily to the ZSMP's own organizational weaknesses.

The plenum was devoted to the civic education of youth, a question discussed at length in the documents of the session. Past months have shown that the facts differ from expectations. "There is no reason to hide," said ZG ZSMP secretary Kazimierz Chrzanowski "that in everyday practice in some circles and organizations we sometimes forget that leading a social movement is not the same as organizing activities or dividing up the work..."

As was emphasized at the plenum, the Union must devote more attention to involving young people in the self-management system. In practice what we often observe at the workplace is the phenomenon of sham democracy and partnership, of merely apparent and formal activity. This must be prevented. Also of concern are shortcomings in the functioning of the schools. A youth organization cannot replace the school, but it can help it. Therefore the ZSMP will organize history universities for the schools, as well as young rationalist clubs, and it will conduct discussions, including with the unorganized, on Poland's past, it will serve as a patron for student democracy clubs, etc.

PZPR Central Committee Secretary Henryk Bednarski took the floor during the discussion. He said, "We are getting close to our goal. If we fight the battle for social awareness with the practice of everyday life. Many upbringing programs have recently appeared. I believe we must rethink what to do so that educators and cadres should recognize the rules adopted as their own, so that they should not remain mere guidelines for writing reports. We will discuss these matters at upcoming CC plenary sessions devoted to education. I invite you young people to discuss the topics of those plenums. We want to formulate a program conscientiously, a program which will prepare Poles for life in the 21st century, for solving future problems, a program which will attract the younger generation in order to achieve a future vision of Poland. We want to form citizens who will not need to feel ashamed before their contemporaries."

The meeting was presided over by the chairman of the ZG ZSMP, Jerzy Szmajdzinski; also participating was PRON General Secretary Jerzy Jaskiernia.

Rectors of Art Schools Meet

Warsaw ZYCIE WARSZAWY in Polish 26 Sep 85 p 2

[Text] In Radziejowice near Warsaw a conference of Art School rectors took place. It was also attended by the secretaries of the school party organizations and the heads of the departments of military studies.

The organizational changes in higher education were discussed, as well as the upbringing tasks of the colleges for the academic year 1985-86. Present were Professor W. Nawrocki, head of the cultural section of the CC PZPR, and Professor K. Zygulski, minister of culture and art.

Meeting of Technical School Rectors

Warsaw TRYBUNA LUDU in Polish 26 Sep 85 p 5

[Text] On 25 September a meeting of technical school rectors took place at the Wroclaw Polytechnical Institute. Participating were PZPR school committee secretaries, representatives of the other political parties, national trade unions and youth organizations. The meeting was attended by Professor Benon Miskiewicz, a representative of the Main Council on Science and Higher Education.

Academies' Rectors Discuss Changes

Warsaw TRYBUNA LUDU in Polish 27 Sep 85 p 2

[Text] On 26 September at a meeting in Warsaw of university and economic academy rectors it was emphasized that the new legal system of science and higher education as well as the sociopolitical and economic situation of the country will determine the course of development of colleges and their tasks. This was the last of a series of meetings of representatives of various types of colleges with ministry officials before the beginning of the new academic year. The meeting was presided over by Benon Miskiewicz, minister of science and higher education. Also participating was Bronislaw Ratus, head of the Science and Education Section of the CC PZPR.

Proposed Ruling on Youth in Civic Affairs

Warsaw TRYBUNA LUDU in Polish 27 Sep 85 p 4

[Text] The Central Commission of Cooperation between the ZSMP, the ZMW, ZHP and ZSP proposes for public discussion a draft law on increasing the participation of youth in the sociopolitical, economic and cultural life of the country. The draft represents a consistent application of the resolution of the 11th CC PZPR plenum on tasks for work with youth, in which the Deputies' Club of the PZPR promises to introduce a bill on youth affairs to the SEJM.

Following are the most important theses set forth in the draft:

--The purpose of the law is to create the legal framework for expanding the participation of young people and youth organizations in the sociopolitical life of the country, in strengthening the state, socialist democracy and legality, productive activity and opportunities to improve the conditions for beginning life and one's profession, and opportunities for the intellectual, cultural and physical development of young people;

--Expanding youth participation in civic affairs is linked with proper fulfilment of basic civic obligations: diligent study, conscientious work, obedience to the law and principles of social life, combatting and counteracting manifestations of social pathology, worthy representation of Poland in international contacts, and socialist defense of the fatherland;

--The socialist upbringing of young people, the comprehensive development of their personality, talents and skills are the common concern of parents, schools, the workplace, socialist youth unions, voluntary labor brigades and other state institutions and social organizations; the patriotic-defense training of youth to defend the fatherland is an integral part of socialist upbringing;

--A special role in the patriotic-defense training of the younger generation is played by the Polish armed forces, forming patriotic and internationalist attitudes and civic responsibility for the country's future, developing moral-political values, creating conditions for the comprehensive development of soldiers' personality, for learning professional skills and participating in the political and social-cultural life of the nation;

--Management at the workplace and in cooperative organizations ensures the conditions for organizing various forms of collective labor for young people, fulfillment by them of production initiatives, including the creation of youth labor brigades, coordinating tasks related to the creation of such brigades with the leadership of the socialist youth unions;

--In order to carry out various forms of youth collective work, a workplace may employ high school and college students on the basis of labor agreements for a specific period of time;

--The Voluntary Labor Brigades also carry out tasks in the area of upbringing and professional and military training of youth; the basic tasks of the VLBs inlclude: organizing voluntary youth labor in brigades, forming socialist consciousness, promoting vocational training and upgrading of skills, and creating conditions for draft age youth to perform civil defense service;

--Organs of state administration, schools, workplaces, socialist youth unions take the initiative in spreading scientific-technical knowledge among young people, creating clubs of technical progress for youth;

--Organs of state authority and administration, and workplaces are obligated to support young people's initiatives to promote environmental protection;

--The socialist youth unions may carry on economic activity in the form of their own enterprises, participation in companies, mixed enterprises and cooperatives, as well as sponsoring youth labor and housing construction cooperatives;

--The State Youth Fund is created; its income comes from funds generated by young citizens, allocations from the state budget, funds contributed by organizations uniting young people and working for the benefit of the younger generation, and other payments and gifts. They are exempt from taxes, and the amounts paid reduce the amount of tax of the payer;

--Monies from the Fund are intended primarily for: supplementary financing of activities arising out of the provisions of the present law, support for youth scientific-technical work, publishing, financing cultural-entertainment activity, sports and tourism, and also for financing assistance to orphans, children's homes and handicapped youth, and also to support social work by young people;

--Young people and the socialist youth unions, through their representatives in the people's councils and the Sejm, participate in legislation and the process of making decisions of state;

--The socialist youth unions are obligated to take an active part in the socioeconomic development of the country, and at the same time are the spokesmen for the interests of the younger generation, submitting to the state and economic administrations and to educational authorities conclusions, opinions, requests, legislative bills and opinions of draft laws; they participate in negotiations and monitor the implementation of decisions affecting youth.

--Central and field organs of state and economic administration when making decisions concerning youth, consult the socialist youth unions, submit draft documents to them, inform them of the status of implementation of decisions and invite representatives of youth organizations to their meetings;

--The socialist youth unions, in accordance with the principles of Polish foreign policy, enhance ties of friendship with the young people of the socialist countries and their organizations, exchange experience, cooperate with progressive and democratic organizations of other countries, work toward strengthening peace and respect for the rights of children and young people.

Amended Student Self-Management Law Noted

Warsaw TRYBUNA LUDU in Polish 28-29 Sep 85 pp 1, 2

[Article by Tadeusz Belerski]

[Text] Under the revised law on higher education, the minister of science and higher education must determine the principles and forms for setting up and operating student self-management organs in colleges. The law also provides for a revision of the general framework of their activities. Recently an order of the minister has been issued, together with directions for implementing the general framework.

A PAP journalist was informed of the details of these documents by director of the Department of Upbringing and Student Affairs of the ministry, Eugeniusz Pietrasik.

"They define," he said, "the kinds of self-management organs, how they are created, what their rights and duties are. The basic student self-management cell will be the student group. The leader of such a group has a broad range of powers. He will deal with virtually every area of importance to students during their period of studies. For example, he has to participate in drawing up the class schedule and the schedule of examinations, he is consulted on the distribution of awards, and he also has to determine the material situation of his colleagues, and moreover participate in the allocation of state funds for the financial assistance of students.

In his work the leader must be guided by the opinion of the group. Since that is the basic self-management cell, this leads to the leader's position being expounded in other self-management organs. It is from among them that student leaders will be chosen self-management coordinators the this year. The faculty self-management council will consist of class leaders, while the college council will consist of chairmen of the faculty councils. Thus, under the proposed structure, in order to sit on the college council, one must first be elected a group leader. According to the law on higher education, the chairmen of the faculty and college councils will represent self-management in the collegial organs of the school, i.e., in the Faculty Council and the Senate.

The self-management framework provides for many powers of self-management organs. They will share decisionmaking power with the school authorities in matters of regulating studies, cooperate in matters of financial aid for students, in improving the pedagogical-upbringing process, in granting awards for good grades. At the same time, the duties of the self-management organs have been set forth, the fulfillment of which should help improve the quality of studies and shorten their duration, and also increase students' social involvement.

It is also provided that the schools will have self-management comrades' courts. If it works well, it could have referred to it matters which are usually by the rector's disciplinary commision for students. This would be of enormous value for upbringing. The laws also set forth the bases and scope of the most traditional forms of student self-managment, the student home inhabitants' councils and the dormitory councils. The laws enable them to become virtual joint managers of the dormitories, and organizers of student life.

If self-management organs are to function properly for the good of the students and their integration, they must closely cooperate with student and youth organizations. The principles set forth in the framework clearly define the powers and activities of these organs and organizations. This section dispells many misunderstandings which have existed in the past.

The laws provide for a transitional period for their implementation, allowing for determination of self-management functions in the colleges and setting up the appropriate organs. This period is not stated precisely, but it is in the interest of the students to have a correct and rapid completion of the preparatory work and a beginning of self-management.

Army Medical Academy Opens New Year

Warsaw TRYBUNA LUDU in Polish 30 Sep 85 p 4

[Text] The ceremonial beginning of the new academic year for the Army Medical Academy in Lodz took place on 28 September.

Representatives of enterprises, social organizations, miners from the Belchatow coal mine as well as families and students from subsequent classes came. The main quartermaster of the Polish Army and vice-minister of national defense, General Mieczyslaw Obiedzinski was present, as well as political and administrative leaders of the province.

PRON Hosts IX Forum of Young Generation

Warsaw ZYCIE WARSZAWY in Polish 1 Oct 85 p 2

[Text] The conference room at the RF PRON headquarters could hardly accommodate all those who wanted to attend the 9th Forum of the Young Generation, at which the role of the young deputy in the Sejm was discussed on Monday. Thus the topic, as well as the opportunity to meet a few candidates for the Sejm, attracted young people, most of whom will vote for the first time in two weeks.

Opening the discussion, Jerzy Jaskierna, RK PRON general secretary and Sejm candidate for the Krakow district, proposed concentrating on the need to set up a Circle of Young Deputies in the Sejm. At the conclusion of the meeting, the floor was taken by the honorary guest of the forum, Vice-Chairman of the RK PRON and Sejm candidate from Krakow Professor Jerzy Ozdowski. He said that the rejuvenation of the Sejm is a healthy process which has already begun. Deputies of the 8th Sejm feel ever more acutely the need to combine the experience of the older deputies with the energy and enthusiasm of the younger ones.

9970/13167
CSO: 2600/45 END